



## Trader Policy

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## Introduction to your Trader policy

This document and its attachments form your Trader policy and between them set out what is and isn't covered by your policy. It is important that you read it all carefully, to make sure that the insurance covers you've bought actually provide the level of protection you need. You should bear in mind that your needs can change over time as your business develops. If they do, it's important that you let your broker, intermediary or agent know so that we can update your policy.

Insurance cover can be wide but can never cover everything. We aim to provide competitive cover at a competitive price, and to keep cover and price stable over the longer term. Sometimes, external factors make this impossible but we recognise that the key to long term and stable relationships with our customers is to offer long term and stable service in return.

We hope you don't have to claim but, if you do, we promise to deal with it promptly and fairly. When we cannot pay a claim, or pay everything asked for, we will explain why we cannot do so. In return, we ask you to familiarise yourself with the limitations and conditions of your policy at the outset and abide by the policy requirements at all times.

If you require advice on any aspect of your policy please speak to your usual insurance adviser.

### IMPORTANT

You must tell us about any facts or changes which may affect your insurance and which have occurred either since the policy started or since the last renewal date. If you are not sure whether certain facts are relevant please ask your insurance adviser or contact us. If you do not tell us about relevant changes, your policy may not be valid or the policy may not cover you fully. If you fail to comply with any of the Conditions Precedent, we reserve our right to be completely discharged from any liability in respect of the relevant claim. If you fail to comply with any of the other terms, conditions or requirements of the policy, we additionally reserve the right to reduce our liability in relation to any claim by an amount that fairly represents the extent to which our interests have been prejudiced as a result of that failure or omission. When the act or omission giving rise to such failure could reasonably be regarded as being capable of contributing to a claim covered by this policy, we may refuse to provide cover to you in proportion to the extent to which our liability has been increased by such failure.

You should keep a written record (including copies of letters) of any information you give us, or your insurance adviser when you renew this policy.

## What happens if things go wrong?

We of course aim to provide first class service – but it has to be recognised that things can sometimes go wrong. You can be assured that at Barbican we take any complaint seriously and we promise to do our best to resolve any problem promptly and fairly.

If you think that any aspect of your insurance has failed to live up to your expectations, please let us know, either directly or through your adviser. Contact the Senior Executive at Barbican Channel Islands by e-mail, fax or letter, whichever is most convenient, using the contact details shown in your Schedule; set out the problem as you see it and ask for our solution.

Here's how we handle problems:

- if you make a complaint we will acknowledge it within 2 working days of having received it
- our objective will be to resolve your complaint within 5 working days.

We usually find that things can be quickly resolved. However, from time to time complications do arise and we need more time to go into things in detail. If this happens, we will let you know and give you a date by which we expect to reach a decision. Normally this will be no later than 20 working days from the date on which we received your original complaint.

If you disagree with the decision we make after having looked into your complaint, your first step is to write to our Chief Underwriting Officer, Mark Harrington, at Barbican Insurance, No 1 Cornhill, London EC3V 3ND. If we are still unable to resolve your complaint, you can take it up with Lloyd's of London. Write to them at Policyholder & Market Assistance, Lloyd's, One Lime Street, London EC3M 7HA, e-mail them at [complaints@lloyds.com](mailto:complaints@lloyds.com) or telephone them on +44 (0)20 7327 5693.

Following this complaint procedure does not affect your subsequent right to take legal action.

## The basis of your Trader policy

This insurance policy is a legal contract between us, Barbican Syndicate 1955, and you the Policyholder.

Under this policy, we agree to indemnify you for claims arising during the Period of Insurance, in accordance with the terms and conditions set out below and in the policy Schedule.

On behalf of Barbican Syndicate 1955



MJ Harrington, *Active Underwriter*

In order for this policy to come in to force, you must have

- completed a signed proposal which we have accepted, which includes associated documents and/or statements setting out any particulars that we may have required and
- paid the premium in accordance with the payment terms given by us in writing.

### The excess

It's normal insurance practice that we ask you to pay the first part of any claim you may make; this is known as the 'excess'. The excess for your Barbican Trader policy is shown in the Schedule and applies to each and every claim (including a series of claims arising from the same root cause).

### Which law applies to your Trader policy?

Unless we agree otherwise in writing, the law applying to your Trader policy and any disputes connected to it will be the law applying to that part of the British Islands in which you normally live or (if applicable) the first named Policyholder lives. In the case of a business, it will be the law applying to that part of the British Islands where it has its principal place of business.

Should neither of the above be applicable, the law of England and Wales will apply.

## Definitions

For clarity, it is important that we define what is meant by words and phrases that appear in your Trader policy. These definitions are listed below.

Wherever the words 'you'/'your'/'yours'/'your business' appear in this policy, they refer to the Policyholder as defined below. Wherever the words 'we'/'us'/'our'/'ours' appear in this policy, they refer to the Underwriters as defined in the Schedule. Otherwise, each time we use one of the words or phrases listed below, it will have the same meaning wherever it appears in this Trader policy unless clearly and specifically stated differently.

Please note that the various sections of your Trader policy include definitions that are specific to that particular section; you should make sure that you read these in conjunction with the policy definitions set out here.

**British Islands** means the Channel Islands, the United Kingdom and the Isle of Man.

**Buildings** include outbuildings, walls, gates and fences, tenant's improvements and landlord's fixtures and fittings.

**Business** Activities directly connected with the business described in the statement of fact and specified in the Schedule.

**Business equipment** All business machines and equipment, furniture, fixed glass, fixtures and fittings, and all other contents but excluding Money, Stock, Special Stock and landlord's fixtures and fittings.

**Computer and electronic equipment** All computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, and any electronic equipment, data processing equipment, information repository, telecommunication equipment, computer controlled or programmed machinery, equipment capable of processing data and/or similar devices, whether physically or remotely connected to each other.

**Condition(s) precedent** A condition with which you must comply before we are liable for a claim.

**Data** All information which is electronically stored, or electronically represented, or contained on any current and back-up disks, tapes or other materials or devices used for the storage of data. This includes but is not limited to operating systems, records, programs, software or firmware, code or series of instructions.

**Data storage materials** Any materials or devices used for the storage or representation of Data. This includes but is not limited to disks, tapes, CD-ROMs, DVDs, memory sticks, memory cards or other materials or devices which may or may not also constitute Computer and Electronic Equipment.

**Denial of service attack** Any actions or instructions with the ability to damage, interfere with or otherwise affect the traffic within, between or amongst computer networks.

**Employee** Any person who is:

- a under a contract of service or apprenticeship with you
- b borrowed by or hired to you
- c a labour master or supplied by a labour master
- d employed by labour only sub-contractors
- e self employed
- f under a work experience or training scheme
- g regarded as being in Your employment under the terms of any contract or agreement
- h a voluntary helper while working under your control in connection with the business OR an outworker or homemaker when engaged in work on your behalf.

**Endorsement/endorsements** Any alteration we make to the terms of your Trader policy.

**Excess/excesses** The amount or amounts shown in your Trader policy or the Schedule that we deduct from each and every claim.

**Failure** Any partial or complete reduction in the performance, or availability, or functionality, or the ability to recognise or process any date or time of any Computer and Electronic Equipment, electronic means of communication and/or web site.

**Loss of data** The physical or electronic or other loss or destruction or alteration, or permanent or temporary loss of use of, or damage to, Data; this applies whatever the nature of such loss, damage or alteration, and whether it is entire or in part. This includes but is not limited to Loss of Data resulting from loss or damage to Computers and Electronic Equipment or Data Storage Materials, including while stored on Data Storage Materials.

**Money** Current coin, bank and currency notes, postal and money orders, bankers' drafts, cheques and giro cheques, crossed warrants, bills of exchange and securities for money, postage, revenue, national insurance and holiday with pay stamps, national insurance and holiday with pay cards, national savings certificates, war bonds, premium savings bonds and franking machine impressions, credit company sales vouchers, luncheon vouchers, trading stamps and VAT invoices.

**Period of Insurance** From the effective date at which your Trader policy comes into force until the expiry date shown in the Schedule, and then any subsequent period for which we accept payment for renewal of this Trader policy.

**Policyholder** The person, persons, company, companies, partnership, partnerships or unincorporated association named in the Schedule.

**Premises** The premises as stated in the statement of fact and specified in the Schedule.

**Property Insured** Property Insured as detailed in the Schedule. The replacement Sum Insured in respect of the Property Insured includes all fees and other costs which may be covered under the various sections and extensions of the Trader policy.

**Schedule** The document which specifies details of the Policyholder, the premises, Property Insured and any Excess(es), Endorsements and Conditions Precedent applying to the policy.

**Special stock** Tobacco and tobacco products, wines, spirits, perfumes, jewellery or precious metals or stones.

**Specified Contingency** This refers to the following: fire; lightning or earthquake; explosion; aircraft and other aerial devices or articles dropped from them; riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances; malicious persons other than thieves; storm or flood; escape of water from any tank, apparatus or pipe; falling trees or radio/TV aerials; impact; escape of fuel from any fixed oil heating installation.

**Stock** Stock and trade materials but not **Special stock**.

**Virus or similar mechanism** Program code, programming instruction or any set of instructions with the ability to damage, interfere with, or otherwise adversely affect computer and electronic equipment or data, whether involving self-replication or not, including, but not limited to trojan horses, worms and logic bombs.

## Property Damage All Risks

Under this section of your Trader policy, **we will pay out for accidental loss, destruction or damage** to the Property Insured at the premises.

**Underinsurance** Please make sure that items are insured for their full replacement value and the total Sum Insured includes all items covered by this policy, as underinsurance can lead to reduced payouts. Please see page 12.

This section of your Trader policy also includes the following extensions up to the Limits stated or the Sum Insured shown in the Schedule, whichever is less:

### Glass

This extension of your Trader policy covers you for glass at the premises:

We **will** pay out for breakage (including the cost of boarding up) of glass and of fixed wash-hand basins, pedestals, baths, sinks, lavatory bowls, bidets, cisterns, shower trays and splashbacks, and for damage to contents of display windows, to window and door frames and the cost of removal/reinstating obstructions to replacing glass at the premises.

We will **not** pay out for

- 1** breakage of glass in light fittings, signs, lamps, nameplates and vending machines
- 2** breakage
  - a of stock, special stock or goods in trust
  - b while the premises are unoccupied, if they have been so for more than 30 days
  - c in transit or while being fitted
  - d caused by workmen carrying out alterations or repairs to the premises
  - e at the premises if it is also occupied as a dwelling unless the glass broken is wholly business related and not insured under any other policy.

### Subsidence

Provided it's included in the Schedule, you are also covered for subsidence of, or ground heave of the site of the Property Insured, or landslip.

We **will** pay out for damage to

forecourts, car parks, driveways, footpaths, terraces or patios, walls, gates or fences as long as damage also occurs to the building to which such property applies from the same cause and the buildings are insured by this section.

We will **not** pay out for

- 1 damage caused by
  - a collapse, cracking, shrinking or settlement
  - b coastal or river erosion
  - c defective design or inadequate construction of foundations
  - d demolition, structural alteration or repair
  - e settlement or movement of made up ground
- 2 damage as a result of movement of solid floor slabs
- 3 damage to any building also occupied as a dwelling
- 4 the Subsidence Excess.

We **will** pay out if there is damage to the foundations beneath the exterior walls of the building at the same time.

### Frozen food

Provided it's included in the Schedule, we will pay out up to the Frozen Food limit shown for deterioration of food in any refrigerator on the premises caused by

- a mechanical or electrical breakdown, thermostatic failure or accidental damage to the refrigerator
- b accidental failure of the public supply of electricity at the terminal ends of the public supply undertaking's feed to the premises
- c accidental leakage of refrigerant fumes.

We will **not** pay out for the following

- a where the refrigerator is more than 10 years' old
- b the deliberate act of a public supply undertaking
- c the Frozen Food Excess

### Sundry contents

Provided that they are not already insured under another policy, you are covered for the following items:

Up to £1000 for employees' pedal cycles and other personal belongings, visitors' personal belongings, trade samples and customers' goods held in trust at the premises

Up to £2500 for paintings, curios or other works of art at the premises

### Changing locks

We will pay out up to £1000 for the cost of changing locks at the premises if keys are lost from the premises, your home or the home of any authorised employee following theft or attempted theft

or

whilst in your custody or that of an employee following theft or attempted theft.

If the keys belong to a safe they must be removed from the premises overnight and kept in a secure place away from the safe when you or an employee are on the premises.

## Removing debris

The Sum Insured for each item (except stock, special stock and trade materials) includes costs and expenses incurred with our agreement for removing debris, dismantling or demolishing, shoring up or propping parts of the property which have suffered damage insured under this section.

We will **not** pay out for costs and expenses

- a incurred by debris removal from anywhere except the site of damage and adjacent areas
- b due to pollution or contamination of property not insured under this section of the policy
- c insured elsewhere.

## Compliance with statutory regulations

Following damage insured under this section to any item on buildings, we will pay the additional cost of reinstating the Property Insured so as to comply with any building regulations laws or ordinances of the States of Guernsey or Jersey, European Community Legislation, Act of Parliament or Bye-Laws of any Public Authority.

The reinstatement of the property must be carried out in accordance with our normal terms for settling claims (see page 12).

If our liability under this section is reduced by the application of any terms or conditions of this policy, then liability under this clause will be similarly reduced. The maximum payable for reinstatement of any one item is the Sum Insured for that item.

We will **not** pay out

- a costs for damage not insured by this section
- b where notice was served before damage occurred
- c where an existing requirement must be completed within a stipulated period
- d for property or parts of the property except foundations (unless specifically excluded) which have not suffered damage
- e any charge or assessment as a result of capital appreciation following compliance with this legislation.

## Metered water loss

We will pay out up to £2500 for charges for which you are responsible, for any one occurrence of water being accidentally discharged from a metered water system providing service to the premises.

## Professional fees

The Sum Insured for each building item includes any amounts required for professional fees necessarily incurred in reinstating or repairing the Property Insured following damage insured under this section.

We will **not** pay out for fees

- a you incur in preparing your claim
- b insured elsewhere and/or more specifically.

## Stock in transit and temporary removal

We will pay up to

- a £1000 for damage to stock or special stock whilst in any motor vehicle owned or operated by you within the Channel Islands including loading and unloading
- b £5000 for business equipment whilst temporarily removed and in transit for cleaning or repair anywhere within the British Islands.

We will **not** pay out for damage

- a caused by theft or attempted theft from any unattended vehicle where all doors and windows have not been locked and/or the vehicles are not garaged in a locked building or locked and secured in a fully enclosed yard or compound when left overnight
- b to property in any soft topped, open topped or open sided vehicle by storm or malicious persons or theft or attempted theft.

## Theft damage to buildings

When we do not cover the buildings, we will pay out up to £2500 for the cost of damage to buildings at the premises for which you are responsible caused by theft or attempted theft from the premises.

## Underground services

When we cover your buildings, or you are contractually liable as tenant, we will pay out up to £5000 for accidental damage to underground pipes and cables which extend from the buildings to the public mains.

We will **not** pay out for

- a the cost of maintenance
- b accidental damage caused by gradual deterioration or wear and tear, corrosion, rust, rot or fungus, vermin or insects, atmospheric or climatic conditions, normal settlement or shrinkage, faulty workmanship, defective design or the use of defective materials.

## Capital additions

We will pay the cost arising from loss, destruction or damage to

- 1 newly built and/or newly acquired buildings and/or trade fixtures and fittings
- 2 alterations, additions and improvements to buildings and/or trade fixtures and fittings, but not in respect of any appreciation in value situated anywhere in the British Islands.

The maximum we will pay out at any one location under this extension is whichever is the lower of either 10% of the buildings Sum Insured shown in the Schedule or £500,000.

You must specifically insure such capital additions with us and provide details of these extensions as soon as possible and no later than sixty days from the date our exposure commences.

## Fire Brigade damage to gardens

We will pay out up to £2500 for costs and expenses necessarily incurred in reinstating or repairing landscape gardens and grounds following damage caused by Fire Brigade equipment or personnel in the course of combating fire.

## Light fittings, lamps, signs and nameplates

We will pay for damage to light fittings, lamps, signs and nameplates at the premises.

We will **not** pay out for damage arising from mechanical or electrical breakdown, wear and tear, corrosion or rot.

## Trace and access

We will pay up to £5000 for all reasonable costs and expenses incurred with our agreement for locating the actual source of damage together with any repairs directly caused by doing so in connection with the escape of water from any tank apparatus or pipe or leakage of fuel from any fixed oil heating installation, provided such damage is insured by this section.

We will **not** pay out for costs or expenses incurred where damage results solely from a change in the water table level.

## Exclusions to Property Damage All Risks cover

We will **not** pay out for the following:

- 1 Damage caused by or comprising
  - a an existing or hidden defect in the property
  - b gradual deterioration or wear and tear
  - c frost or change in the water table level
  - d faulty design or faulty materials used in its construction
  - e faulty workmanship, operating error or omission by you or any employee
  - f the bursting of a boiler or other equipment where the internal pressure is due to steam only and belongs to you or is under your control.

We **will** pay out for damage (as long as it's not excluded for any other reason) if the boiler or other equipment is subject to inspection or maintenance under contract required by statutory regulation.

We **will** also pay out for subsequent damage (as long as it's not excluded for any other reason) to the Property Insured which results from an ensuing cause not otherwise excluded.

- 2** Damage caused by or consisting of
- a corrosion, rust or rot, shrinkage, evaporation or loss of weight, dampness or dryness, scratching, vermin or insects
  - b change in, temperature, colour, flavour, texture or finish
  - c
    - i nipple or joint leakage or failure of welds
    - ii cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associated piping
  - d mechanical or electrical breakdown.
- We **will** pay out for such damage where it is covered under 'Frozen food' above.
- We **will** pay out for subsequent damage (as long as it's not excluded for any other reason) to the Property Insured which results from an ensuing cause not otherwise excluded.
- We **will** also pay out for such damage (as long as it's not excluded for any other reason) to the Property Insured which results from a cause not otherwise excluded.
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- 3** Any claim directly or indirectly caused by or arising from:
- a pollutants and consequent pollution, or contamination of whatever nature caused by or allegedly caused by you or, in the case of contamination or pollution of land, caused by or allegedly caused by any occupier of land
  - b asbestos, asbestos dust or fibres, or materials or products containing asbestos minerals as defined in the 'The Control of Asbestos Regulations 2006'
  - c electromagnetic fields or other radiation alleged to have emanated from any products or telecommunications or computer equipment (including video display units).
- We **will** pay out for damage (as long as it's not excluded for any other reason) to the Property Insured caused by pollution or contamination which results from a cause not otherwise excluded.
- 
- 4** Damage caused by or consisting of acts of fraud or dishonesty, disappearance, unexplained or inventory shortage and misfiled or misplaced information or clerical error.
- 
- 5** Damage to gates, fences and moveable property out in the open by weather events including but not restricted to wind, rain, hail, sleet or snow, flooding and dust.
- 
- 6** Damage by fire to the Property Insured resulting from its undergoing any process involving the application of heat.
- 
- 7** Damage to the Property Insured resulting from its undergoing any process of production or packaging, treatment, testing or commissioning, servicing, cleaning or repair.
- We **will** pay out for this damage if caused by fire or explosion.
- 
- 8** Damage while the building is unoccupied, if it has been so for more than 30 days, caused by escape of water from any tank, apparatus or pipe or by malicious persons.
- We **will** pay out for this damage if caused by fire or explosion.
- 
- 9** Damage to
- a china, earthenware, marble or other fragile objects (except for stock or special stock)
  - b a structure caused by its own collapse or cracking.
- We **will** pay out for this damage (as long as it's not excluded for any other reason) if it arises from a Specified Contingency.
- 
- 10** Damage to property in the course of construction including materials for use in the construction.
- We **will** pay out for this damage if it is specifically stated as insured in the Schedule.

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**11** Damage caused by theft or attempted theft

- a where you or a partner, director or employee or any member of your household is involved
- b from any building or part of any building not capable of being locked
- c from the open or from any yard, compound, garden or car park forming part of the premises.

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**12** Damage to property more specifically insured.

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**13** Damage to money, livestock, growing crops, watercraft, aircraft, motor vehicles and their accessories.

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**14** The Property Damage Excess.

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**15** Consequential loss or damage of any kind.

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## The basis on which we'll settle your claims

We'll pay for repair or rebuilding of damaged or destroyed property, replacing or restoring it to as good a condition as when it was new. However, we will not pay to make it better nor more extensive than it was when new.

If repairing or replacing partly damaged property, we won't pay out more than we would have done if your property had been totally destroyed.

If it's more convenient we will replace the property on another site or in a way that's more appropriate, as long as it does not increase our liability nor the amount we pay out.

Subject to our approval, repair or rebuilding work must begin without delay and be carried out as quickly as possible.

For documents and business books we will only pay their stationery value together with the cost of labour spent in reproducing them.

### Asbestos exposure following damage

If as a consequence of damage you must remove asbestos from your premises, we will only pay removal costs in proportion to that originally affected by the damage.

### The limit of our liability to you

The most we **will** pay out under this section will be the total of the Sums Insured listed in the Schedule. However, we will increase the Sums Insured applicable to stock and special stock by 20% for two weeks either side of Easter Day and for the whole of November and December each year.

### Underinsurance

If at the time of damage the Sum Insured of the damaged Property Insured is 85% or less of what the cost would have been for its replacement then we will only pay out in proportion of the valid claim to that percentage.

### Automatic reinstatement of Sum Insured

See Condition 3, page 28.

We will **not** pay out

- i until and unless you have incurred the cost of replacing or repairing the property
- ii if you do not comply with any of the policy terms, conditions or requirements.

## Business Interruption

Under this section of your Trader policy, **we will pay out** if your business has been interrupted or interfered with as the result of loss or damage to the Property Insured at the premises, and liability for the loss or damage has been accepted by us under the Property Damage All Risks section of this policy. We will pay out for:

### Loss of income

The amount by which, due to the damage, your income falls short of that which would have been received during the Indemnity Period had the damage not occurred.

### Additional expenses

- 1** The extra costs of rent, rates and taxes for temporary premises, any premium or compensation necessary to obtain such premises and the costs of removal to and from temporary premises.
- 2** Other expenses reasonably incurred to continue the business during the Indemnity Period as a result of the damage.
- 3** Auditors' or accountants' charges reasonably incurred with our permission for producing and certifying details of a claim under this section less any savings in expenses made due to the damage, but not the costs of preparing your claim.

We will deduct any reduction due to the damage in your costs, business charges or expenses payable out of income during the Indemnity Period. The amount we pay against any one claim will be no greater than the Limit or Sum Insured stated in the Schedule at the time of the damage.

Unless we have agreed in writing to do so, we will **not** pay out if

- a your business is wound up or carried on by a liquidator or receiver or is permanently discontinued
- b your interest ceases otherwise than by your death.

### Underinsurance

If at the time of damage the Business Interruption Sum Insured or limit is 85% or less of what the actual annual income (or a proportionately increased multiple where the Indemnity Period exceeds 12 months) would have been then we will only pay out in proportion of the valid claim to that percentage.

If at the time of damage the Sum Insured on any item of book debts is 85% or less of what the actual book debts would have been then we will only pay out in proportion of the valid claim to that percentage.

## Book debts

We will pay out up to the Limit stated in the Schedule against loss for book debts directly due to damage at the premises or at your professional accountant's premises to your account books, other business books or records.

We will pay

- 1 the difference between the book debts and the total amounts received or traced
- 2 extra costs incurred with our agreement in tracing and establishing customers' debit balances after the damage
- 3 your professional accountant's charges for producing information if required by us to verify your claim.

We will **not** pay out for

- 1 loss due to records being mislaid or misfiled
- 2 loss arising from deliberate falsification of records
- 3 failure to collect debts which have been traced and established.

The Business Interruption section of your Trader policy also includes:

## Employees' lottery win

We will pay out up to £50,000 (or the Business Interruption Sum Insured or Limit shown in the Schedule, whichever is the lower) in any one Period of Insurance for extra expense incurred to prevent or limit a reduction in income for up to one month from when an employee or group of employees resign from your business as a direct consequence of having a win in a Lottery.

The costs we will pay for include recruitment and additional overtime costs and the cost of employing temporary staff for amounts in excess of permanent full time rates of pay.

Lottery means: Channel Island Lottery Prize Draws including scratch-cards, UK National Lottery Prize Draws including scratch-cards; UK National Football Pools (Littlewoods and Vernons); Euro Millions Lottery; Irish National Lottery; UK Premium Bond Prize Draws.

We will **not** pay out unless

- a the employee or group of employees resign within 14 days of the Lottery win and
- b the amount won by any one employee is at least £100,000.

## Disease, infestation, defective sanitation and deliberate death

We will pay up to £25,000 (or the Business Interruption Sum Insured or Limit shown in the Schedule, whichever is the lower) in total for all reduction in income arising from the prevention or limitation of your access to the premises shown in the Schedule occurring during the Period of Insurance as a result of

- a an illness sustained by any person caused by food or drink poisoning attributable to food or drink supplied from the premises
- b acute encephalitis, acute poliomyelitis, anthrax, chickenpox, cholera, diphtheria, dysentery, legionellosis, leptospirosis, malaria, measles, meningococcal infection, mumps, ophthalmia neonatorum, paratyphoid fever, viral hepatitis, whooping cough or yellow fever sustained by any person whilst at the premises
- c vermin or pests at the premises
- d an accident causing defects in drains or other sanitary arrangements at the premises where use of the premises is restricted on the order or advice of a competent authority
- e murder or suicide at the premises.

We will **not** pay out for

- a costs incurred in cleaning, repair, replacement, recall or checking of property
- b loss arising from premises other than those directly subject to the occurrence.

### Government or Local Authority action

We will pay out up to £25,000 (or the Business Interruption Sum Insured or Limit shown in the Schedule, whichever is the lower) for prevention of access to the premises due to the actions or advice of a government or local authority due to an emergency which is likely to endanger life or property.

We will **not** pay out for

- a any incident lasting less than 12 hours
- b any period other than the actual period when the access to the premises was prevented
- c a Notifiable Human Infectious or Contagious Disease as defined in the current relevant legislation occurring at the premises.

### Prevention of access/loss of attraction

We will pay out up to £25,000 (or the Business Interruption Sum Insured or Limit shown in the Schedule, whichever is the lower) for damage to property in the vicinity of the premises by any cause included under the Property Damage All Risks section which hinders or prevents access to the premises leading directly to a loss of income to the business.

We will **not** be liable for the first 36 hours of loss of access or attraction.

### Failure of utilities

We will pay out up to £25,000 (or the Business Interruption Sum Insured or Limit shown in the Schedule, whichever is the lower) for accidental failure of public supplies of electricity or gas or water at the terminal ends of the public supply undertaking's feed to the premises shown in the Schedule.

We will **not** pay out for

- a accidental failure which lasts less than 30 minutes
- b the deliberate act of any supply authority
- c the exercise of any supply authority power to withdraw or restrict supply
- d industrial action
- e drought.

### Suppliers

We will pay out against any one occurrence up to £25,000 (or the Business Interruption Sum Insured or Limit shown in the Schedule, whichever is lower) for damage to any of your suppliers' premises within the British Islands and the Republic of Ireland by any cause included in the Property Damage All Risks section of your Trader policy.

We will **not** pay out for damage at any premises of suppliers of electricity, gas, water or telecommunications services.

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## Business Interruption definitions

In addition to the definitions at the start of your policy, the following definitions apply to the Business Interruption section of your Trader policy and shall keep the same meaning wherever they appear in this section.

**Gross Profit** Trading receipts less the cost of goods sold.

**Income** The gross profit and any other income received or receivable by you in the course of the business at the premises to which such adjustments shall be made as may be necessary to reflect the trends and other circumstances affecting the business so that the figures adjusted will represent as near as possible the figures which would have been obtained at the date of the damage had the damage not occurred.

**Indemnity Period** The period during which the business results are affected due to the damage, starting from the date of the damage and lasting no longer than the Maximum Indemnity Period.

**Maximum Indemnity Period** The number of months stated in the Schedule.

**Book debts** The sums outstanding in your records of the individual amounts owed by credit customers as last recorded by you under the provisions of Condition Precedent 4, below.

In addition, please note that all terms in this section exclude VAT to the extent that you are accountable to the tax authorities for it and that adjustments made for current cost accounting will be ignored.

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## Your obligations

You must comply with the following, which are Conditions Precedent to the Business Interruption section of your Trader policy.

- 1** You must take any reasonably practicable action available to you to minimise any interruption of or interference with the business and/or to avoid or diminish the loss.
- 2** You must at your expense provide us with a written claim together with details of any other insurances covering the damage and/or loss resulting from it within 30 days from the end of the Indemnity Period, or within any further period that we have agreed in writing.
- 3** You must at your own expense provide us with any books, records and documents we require to assess your claim.
- 4** You must record the total amount outstanding in your customers' accounts at the end of each calendar month. You must keep this information in a different building to that containing your accounting and other business records. (Your accountant may maintain this information.)

## Money and Assault

Under this section of your Trader policy, **we will pay out for**

- loss of money belonging to you or for which you are responsible in connection with the business up to the amounts shown in the list of Limits below
- loss or damage to any safe or strongroom on the premises up to a limit of £2500
- loss or damage to any case or bag used for carrying money, clothing and personal effects belonging to you, your principals or any employee up to a limit of £500 per person following theft or attempted theft away from the premises.

### Limits

We **will** pay up to £250,000 for any one loss of:

Stamped National Insurance Cards, crossed cheques, crossed giro cheques, crossed money orders, crossed postal orders, crossed bankers' drafts, crossed warrants, national savings certificates, premium savings bonds, franking machine impressions, credit company sales vouchers and VAT invoices.

We will pay up to £500 for any one loss of or money other than described above at your home or the home of any employee or principal.

For any one loss of money other than described above

either in transit or in a bank night safe until removed by a bank official or on contract sites while you or any employee is working there

or

on the premises during business hours and/or contained in a locked safe outside business hours

we will pay out up to £5000 or 10% of the Business Equipment Sum Insured, whichever is less. For such money not contained in a locked safe outside business hours or for money in vending or gaming machines on the premises the limit is £500.

We will **not** pay out for the following

- 1 shortages due to clerical or accounting errors
- 2 loss due to the dishonesty of your principals or any employee
  - a not discovered within 7 working days of the loss
  - b where a more specific insurance is in force, except for any amount in excess of that insurance
- 3 loss of money from unattended vehicles
- 4 loss or damage outside the British Islands
- 5 the Money Excess.

### Assault

We will pay compensation to you for bodily injury to an Insured Person caused by theft or attempted theft taking place in the course of the business and resulting in any of the events below happening within 24 months of bodily injury.

We will pay out £10,000 in the event of:

- death
- total and permanent loss of sight in one or both eyes
- loss of one or more limbs
- any other total and permanent disablement which, after 24 months of the occurrence, prevents the Insured Person from pursuing any occupation.

We will pay out £100 per week at 4-weekly intervals for up to 2 years in the event of total disablement which, within 24 months of bodily injury, prevents the Insured Person from pursuing their normal occupation.

We will pay out £50 per week at 4-weekly intervals for up to 2 years in the event of partial disablement which, within 24 months of bodily injury, prevents the Insured Person from pursuing a substantial part of their normal occupation.

Weekly benefit being paid for the same injury will end if we pay compensation for loss of sight, limbs or any other disablement. In these circumstances, insurance will also end for the Insured Person.

#### Medical Evidence

At our expense, we may require an Insured Person to undergo medical examination or a post mortem to be carried out. If so required, you or your legal representative will supply at your expense any certificate, information or evidence in the format we specify.

#### Medical Expenses

When we pay weekly benefit compensation for total or partial disablement, we will pay up to 15% of this amount for medical expenses incurred.

## Definitions

In addition to the definitions at the start of your policy, the following definitions apply to this section and shall keep the same meaning wherever they appear in this section.

**Bodily injury** Injury by violent and visible means which, directly and independently of any other cause, results in death or disablement.

**Business hours** The normal working hours and any other period during which you or any employee entrusted with money is on the premises in connection with the business.

**Insured Person** You or your directors, principals or employees.

**Loss of limb** Severance at or above the wrist or ankle or total and permanent loss of use of a hand, arm, foot or leg.

## Precautions

Under this section of your Trader policy, you must comply with the following Conditions Precedent:

### Records and key security

- a you must keep a complete record of money in a secure place separately from a safe or strongroom containing money
- b outside business hours the safe or strongroom must be kept locked and the keys removed from the premises unless they are occupied by you or any authorised employee in which case the keys must be kept in a secure place away from any safe or strongroom.

### Money in transit

Money in transit (other than stamped National Insurance Cards, crossed cheques, crossed giro cheques, crossed money orders, crossed postal orders, crossed bankers' drafts, crossed warrants, national savings certificates, premium savings bonds, franking machine impressions, credit company sales vouchers and VAT invoices) must be accompanied by at least 2 persons for amounts over £2000.

Private transport must be used for amounts over £2000 where the distance travelled is over half a mile.

Our liability will not exceed the Limits stated above.

## Loss of Licence

If Loss of Licence is shown on your Trader policy Schedule as being covered, we will pay out for depreciation in the value of your interest in the premises following:

- a forfeiture of your liquor licence under the provisions of the legislation governing such licence, or
- b refusal to renew your liquor licence by the appropriate licensing authority after proper application by you to renew

provided you are not entitled to statutory or governmental compensation as a result.

We will **not** pay out for loss of licence arising from

- a any cause within or under your control
- b any change in the law
- c any governmental or local authority decision to withdraw, reduce or redistribute liquor licences in connection with any planning improvement, redevelopment or scheme for compulsory purchase.

In addition we will pay costs and expenses incurred with our written consent in connection with any appeal against forfeiture or a refusal to renew your liquor licence.

### Limit

The most we will pay out during any Period of Insurance including costs and expenses is the Sum Insured shown in the Schedule.

### Special conditions

Under this section of your Trader policy, you must comply with the following Conditions Precedent:

You must give us notice in writing immediately you become aware of any

- a complaint about the premises or the control of the business or premises
- b proceedings against or conviction of you or the licence holder for breach of the licensing law or any other matter reflecting adversely on you or the licence holder's character, standing or reputation
- c transfer or proposed transfer of the liquor licence
- d change in the tenancy or management of or alteration in the use of the premises
- e objection to renewal of the licence or circumstances which may threaten the renewal of the licence.

## Employers' Liability

Under this section of your Trader policy, **we will pay out** up to the Limit of Indemnity for your legal liability to pay compensation to any employee, including costs and expenses, arising from bodily injury caused in the course of the business during the Period of Insurance and within the Territorial Limits.

We will **not** pay out for any claim

- a in connection with work in or on and travel to, from or within any offshore accommodation, exploration, drilling or production rig or platform or support vessel
- b in circumstances where you are required to arrange motor insurance or security in accordance with any road traffic legislation.

### Limit of Indemnity

We will pay up to £10,000,000 for compensation and costs and expenses in respect of any or all claims arising from one root cause.

### Covers

This section of your Trader policy includes cover for all of the following:

#### Additional activities

In addition to its normal activities, your business is covered for:

- a ownership, use and upkeep of the premises and Property Insured
- b canteen, social, sports, educational and welfare organisations for the benefit of any employee
- c first aid, fire, security and ambulance services
- d participation in exhibitions
- e private work by any employee, with your prior consent, for you or any director or employee.

#### Cross liabilities

We will indemnify each party named as the Policyholder and each party entitled to indemnity under this section as if a separate policy had been issued to each.

However, the total amount we will pay out will not exceed the Limit of Indemnity regardless of the number of parties claiming to be indemnified.

#### Indemnifying other people

We will indemnify your personal representatives in respect of legal liability you incur and at your request will also indemnify:

- a any director, partner or proprietor or employee of yours
- b the officers, committees and members of your canteen, social, sports, educational and welfare organisations, first aid, fire, security and ambulance services
- c any principal for whom you are carrying out a contract to the extent required by the contract conditions

or the personal representatives of these persons against legal liability in respect of which you would have been entitled to indemnity if the claim had been made against you.

Each indemnified party will be subject to the terms of this section insofar as they can apply.

## Injury to working partners

We will treat as an employee any working partner or proprietor of the business who suffers bodily injury caused by the negligence of another working partner, proprietor, or employee in the course of the business during the Period of Insurance and within the Territorial Limits.

## Costs resulting from Health & Safety legislation or attendance at any inquest or fatal accident inquiry

We will indemnify you and, at your request, any director, partner, proprietor or employee for legal fees and expenses in defending proceedings, including appeals, together with prosecution costs awarded against you or any director, partner, proprietor or employee arising from any inquest or fatal accident or Health & Safety inquiry or criminal proceedings in respect of any breach of Health & Safety legislation of the British Islands.

We will **not** pay out

- a unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within the British Islands in the course of the business which results in bodily injury covered by this section
- b for fines or penalties; for proceedings resulting from any deliberate act or omission by any party claiming to be indemnified; for proceedings relating to the health and safety of any person other than an employee
- c where another insurance policy provides indemnity
- d for legal fees and expenses incurred without our written consent.

## Payment for court attendance

We will compensate you if at our request any director, partner or employee attends court as a witness in connection with a claim covered by this section of your Trader policy. We will pay their normal daily wage net of tax up to £300 per day for each director, partner and employee.

## Unsatisfied court judgements

We will, at your request, pay out to any employee or his or her personal representatives any damages and/or costs unpaid 6 months after the date that a judgement for bodily injury to the employee was obtained against another party resident in the British Islands.

This cover will only apply where

- a the bodily injury was caused in the course of the business and during the Period of Insurance
- b the judgement was made in a court in the British Islands
- c there is no appeal outstanding.

The judgement will be assigned to us if we make a payment under this clause.

## Our right of recovery

The insurance provided by this section of your Trader policy is in accordance with the provisions of any law relating to the compulsory insurance of liability to employees in the British Islands. However, you will repay to us all sums we would not have been liable to pay but for the provisions of such law.

## Definitions

In addition to the definitions at the start of your policy, the following definitions apply to the Employers' Liability section of your Trader policy and shall keep the same meaning wherever they appear in this section.

**Bodily injury** Bodily injury including death, illness, disease or nervous shock.

**Compensation** Damages, including interest, and claimant's legal costs for which you are liable.

**Costs and expenses** Fees for your legal representation and other costs and expenses, all incurred with our prior written agreement

### Territorial Limits

- a The British Islands
- b elsewhere where any employee normally resident in the British Islands is engaged in the business.

## Public and Products Liability

Under this section of your Trader policy, **we will pay out** up to the Limits of Indemnity for your legal liability to pay compensation arising from accidental personal injury, damage to property, obstruction, trespass, nuisance or interference with any right of way, air, light or water, occurring in the course of the business during the Period of Insurance and within the Territorial Limits.

### Limits of Indemnity

- a for all claims in respect of pollution or contamination of buildings or other structures or of water or land or the atmosphere we will pay up to £2,000,000 in aggregate for compensation
- b for all claims in respect of products supplied we will pay up to £2,000,000 in aggregate for compensation
- c for all other claims we will pay up to £2,000,000 for compensation in respect of any or all claims arising from one root cause.

We will pay costs and expenses in addition to these limits, except in respect of actions brought in the United States of America or any territory within its jurisdiction or in Canada where we will only pay up to the limits including such costs and expenses.

### Covers

This section of your Trader policy includes cover for all of the following:

#### Additional activities

In addition to its normal activities, your business is covered for:

- a ownership, use and upkeep of the premises and Property Insured
- b canteen, social, sports, educational and welfare organisations for the benefit of any employee
- c first aid, fire, security and ambulance services
- d participation in exhibitions
- e private work by any employee, with your prior consent, for you or any director or employee.

#### Cross liabilities

We will indemnify each party named as the Policyholder in the Schedule and each party entitled to indemnity under this section as if a separate policy had been issued to each.

However, the total amount we will pay out will not exceed the Limit of Indemnity regardless of the number of parties claiming to be indemnified.

#### Defective Premises

We will pay out against your liability arising from Section 3 of the Defective Premises Act 1972 and/or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises which you previously owned or occupied for the purposes of the business.

We will **not** pay out for the cost of rectifying any defect or alleged defect in such premises.

## Indemnifying other people

We will indemnify your personal representatives in respect of legal liability you incur and at your request will also indemnify:

- a any director, partner or proprietor or employee of yours
- b the officers, committees and members of your canteen, social, sports, educational and welfare organisations, first aid, fire, security and ambulance services
- c any principal for whom you are carrying out a contract to the extent required by the contract conditions

or the personal representatives of these persons against legal liability in respect of which you would have been entitled to indemnity if the claim had been made against you.

Each indemnified party will be subject to the terms of this section insofar as they can apply.

## Costs resulting from Health & Safety legislation or attendance at any inquest or fatal accident inquiry

We will indemnify you and, at your request, any director, partner, proprietor or employee for legal fees and expenses in defending proceedings, including appeals, together with prosecution costs awarded against you or any director, partner, proprietor or employee arising from any inquest or fatal accident or Health & Safety inquiry or criminal proceedings in respect of any breach of Health & Safety legislation of the British Islands.

### We will **not** pay out

- a unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within the British Islands in the course of the business which results in bodily injury covered by this section
- b for fines or penalties; for proceedings resulting from any deliberate act or omission by any party claiming to be indemnified
- c where another insurance policy provides indemnity
- d for legal fees and expenses incurred without our written consent.

## Hired or rented premises

We will pay out against your legal liability as a result of accidental damage to premises (including fixtures and fittings) within the British Islands which you hire or rent in connection with the business.

### We will **not** pay out

- a the first £250 of any claim caused other than by fire or explosion
- b any liability imposed on you solely by reason of the terms of the hiring or renting agreement
- c for any legal liability as a result of damage against which the hiring or renting agreement specifies that insurance is taken out by you or on your behalf.

## Motor contingent liability

We will pay out against your legal liability as a result of accidental bodily injury and/or damage to property arising out of the use of any motor vehicle not belonging to you or provided by you in connection with the business in the British Islands.

### We will **not** pay out

- a for damage to the vehicle or goods carried in or on the vehicle
- b while you are driving the vehicle or if it is being driven by a person who to your knowledge or that of your representatives does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- c if another insurance policy provides indemnity.

## Overseas personal liability

We will pay out against your legal liability and that of any director, partner or employee as a result of accidental bodily injury and/or damage to property incurred in a personal capacity while temporarily outside the British Islands in connection with the business.

We will **not** pay out if liability arises from

- a any agreement unless liability would have existed otherwise
- b ownership or occupation of land or buildings
- c the carrying on of any trade or profession
- d ownership, possession or use of wild animals, firearms (other than sporting guns), mechanically propelled vehicles, aircraft or watercraft.

We will not pay out if indemnity is provided by another insurance policy.

## Payment for court attendance

We will compensate you if at our request any director, partner or employee attends court as a witness in connection with a claim covered by this section of your Trader policy. We will pay their normal daily wage net of tax up to £300 per day for each director, partner and employee.

## Personal belongings

We will pay out for any legal liability on your part arising from accidental damage to vehicles or personal belongings which you do not own but which are in your custody or control.

We will **not** pay out where this property is stored for a fee or other consideration or in your custody or control for the purposes of being worked on.

## Definitions

In addition to the definitions at the start of your policy, the following definitions apply to the Public and Products Liability section of your Trader policy and shall keep the same meaning wherever they appear in this section.

**Asbestos** Asbestos, asbestos fibres or materials or products containing asbestos minerals as defined in the 'The Control of Asbestos Regulations 2006'.

**Bodily injury** Bodily injury including death, illness, disease or nervous shock.

**Compensation** Damages, including interest, and claimant's legal costs for which you are liable.

**Costs and expenses** Fees for your legal representation and other costs and expenses, all incurred with our prior written agreement.

**Damage** Physical loss or destruction or damage.

**Personal injury** 1 Bodily injury 2 wrongful arrest, detention or imprisonment, wrongful eviction or wrongful accusation of shoplifting.

**Products supplied** Anything which is sold or supplied by you or on your behalf in connection with the business and which is no longer owned by you or in your custody or control or that of any employee.

**Property** Material property.

**Territorial Limits** 1 The British Islands 2 elsewhere where you or any employee normally resident in the British Islands are engaged in the business. 3 anywhere in the world, excluding the United States of America, in connection with products supplied at or from premises in the British Islands.

## Exclusions to Public and Products Liability

Under this section of your Trader policy, we will not pay out for claims arising from:

- 1 Personal injury to an employee, director, partner or proprietor.
- 2 The ownership, possession or use by you or on your behalf or by any person covered under this section of your Trader policy of any aircraft, aerial device or hovercraft or watercraft, or of any mechanically propelled vehicle or trailer, or in circumstances to which road traffic legislation applies or where a more specific insurance is in force.
- 3 Damage to property which you own or is loaned, leased, hired or rented to you and/or which is held in trust or in your custody or control or of any employee or any other that party who is carrying out work on your behalf.  

We **will** pay out for such damage where it is covered under 'Hired or rented premises' (page 23) and/or 'Personal belongings' above.
- 4 Damage to or the cost incurred by anyone in repairing, removing, replacing, reapplying, rectifying or reinstating products supplied (other than products supplied under a separate contract).
- 5 Professional neglect, error, omission, advice, design or specification by you, any employee, or any party who is carrying out work on your behalf.
- 6 Or directly or indirectly caused by:
  - a pollutants and consequent pollution, or contamination of whatever nature caused by or allegedly caused by you or, in the case of contamination or pollution of land, caused by or allegedly caused by any occupier of land
  - b electromagnetic fields or other radiation alleged to have emanated from any products or telecommunications or computer equipment (including video display units).

We **will** pay out for such pollution or contamination where it is caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the Period of Insurance. All pollution or contamination which arises out of one incident will be deemed to have occurred at the time such incident takes place.
- 7 Work in or on and travel to, from or within any offshore accommodation, exploration, drilling or production rig, platform or support vessel or products supplied to any such location.
- 8 Bodily injury or damage to property arising from products supplied other than
  - a the sale or supply of food and drink intended for consumption on your premises
  - b the sale or supply of proprietary goods that have not been manufactured or altered by you and which are sold or supplied unopened in the containers provided by the manufacturers.
- 9 The recall of or making refunds in connection with products supplied.
- 10 Liquidated damages, penalty clauses, fines, aggravated, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.
- 11 Liability imposed on you solely by reason of the terms or any contract conditions or agreement in connection with products supplied.
- 12 Exposure to, inhalation of or fears of the consequences of exposure to or the inhalation of asbestos including any product containing asbestos, and/or the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under statutory duty to manage) any property arising out of the presence of asbestos including any product containing asbestos.

## Policy Exceptions

We set out below the things that your Trader policy will not pay out for. To be clear about what you are and are not covered for, you should read this section in conjunction with any Exclusions or exceptions listed with the covers described in your Trader policy.

We will **not** pay out for claims arising from:

- 1** any consequence whatsoever, regardless of other contributory cause or event, resulting directly or indirectly from or in connection with
  - a war, invasion, act of foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power
  - b nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority
  - c any action taken in controlling, preventing, suppressing, or in any way relating to the above.

(a) (b) and (c) do not apply to the Employers' Liability section; however the Limit of Indemnity under that section is £5 million including costs and expenses during the Period of Insurance.

(b) does not apply to the Public and Products Liability section; however the Limit of Indemnity under that section is £2 million including costs and expenses during the Period of Insurance.

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- 2** Any loss at all, any consequential loss or any legal liability directly or indirectly caused by or contributed to by
  - a ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - b the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or component thereof
  - c the use or threatened use of any weapon dispersing radioactive material and/or ionising radiation using atomic or nuclear fission and/or fusion or other like reaction.

(c) does not apply to the Employers' Liability section.

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- 3** Loss, destruction or damage directly caused by pressure waves from aircraft or other aerial devices.

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- 4** Furs, rare books and explosives unless specifically mentioned.

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- 5** Any loss, destruction or damage caused by any failure of an electronic machine to read and correctly interpret a date or date field or any error in the data input to such machines.

Does not apply to the Employers' Liability, Public and Products Liability sections.

Nor shall we necessarily exclude any claim for subsequent loss or destruction of or damage to any property or consequential loss which may be covered under other sections.

- 6 Any loss, destruction or damage, failure or loss of data directly or indirectly caused by virus or similar mechanism, denial of service attack, unauthorised access to or use of computer and electronic equipment.

Does not apply to the Employers' Liability section.

Nor will we exclude any claim for subsequent physical loss or destruction of or damage to property (other than computer and electronic equipment and data storage materials) which involves physical force and violence and is insured under other sections of this policy.

- 7 Any loss, destruction, damage or consequential loss
- a elsewhere than in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of Terrorism
  - b in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances, malicious persons or Terrorism.
- Terrorism is defined as any act or acts including, but not limited to
- a the use or threat of force and/or violence
  - b harm or damage to life or to property (or the threat thereof) including, but not limited to harm or damage by nuclear, chemical, biological and/or radiological means caused or occasioned by any person or group of persons acting or claiming to act for political, religious, ideological or similar purposes.

If we assert that a claim you make is not covered by this policy for these reasons (or is covered only up to a specified limit of liability) you will have to prove that the event leading to your claim is covered (or is covered beyond that limit of liability).

## Policy Conditions

You should read these conditions in conjunction with the other conditions set out in each section of your Trader policy.

### 1 Alteration of risk

The policy is voidable where there has been any material alteration to the risk after the commencement of this insurance which increases the risk of loss, destruction, damage, accident or injury or where your interest ceases except by will or operation of law unless we have agreed in writing to the alteration.

### 2 Arbitration

If we accept liability but you disagree with the amount we offer to pay, the claim will be referred to an arbitrator who will be jointly appointed in accordance with statutory provisions. An award made by the arbitrator will be a Condition Precedent to a right of legal action against us.

### 3 Automatic reinstatement of Sum Insured

If you make a claim, we will not reduce the Sums Insured stated in the Schedule by the amount of any claim unless we give notice to the contrary or you request that we do so. You must pay any additional premium required by us to reinstate the Sums Insured.

### 4 Buildings

Unless otherwise stated in the Schedule the buildings are occupied for the sole purpose of the business and otherwise only as a private dwelling and are constructed of brick, stone or concrete and roofed with slates, tiles, concrete, metal or asbestos.

### 5 Cancellation

We may cancel the policy

- a by sending you thirty days written notice to your last known address. We will refund a proportionate part of the premium paid for the unexpired period
- b immediately if the premium has not been paid or if there has been a default under an instalment or linked credit agreement. In this instance we will not refund any instalment paid.

If you wish to terminate the cover provided by this policy at any other time after cover has commenced you should notify your broker, intermediary or agent who arranged the policy of your wish to terminate the cover and return all documents to them. If there has been an insured event, occurrence, claim or circumstance (whether reported to us or not) prior to the receipt by us of notification of your wish to terminate the policy, we shall be under no obligation to make any return of premium. In all other circumstances you shall be entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance subject to our retaining our designated minimum premium for each section of the policy.

### 6 Claims procedure

You must follow the procedure set out below when making a claim or you will lose your right to indemnity or any payment against that claim.

- a You must tell us within two working days of your becoming aware of any event or occurrence which may result in a claim.

- b You must notify the police immediately of loss, destruction or damage caused by malicious persons or thieves.
- c You must at your own expense provide us with a written claim containing as much information as possible of the loss, destruction, damage, accident or injury, including the amount of the claim within 28 days of your first advising us, in accordance with point a above, of the event or occurrence, or within any further period that we agree in writing.

OR

- d In the case of destruction or damage caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons within 7 days of you becoming aware of the event or occurrence, or within any further period that we agree in writing.
- e You must immediately provide us with all information and help that we may require and request of you in connection with the claim, or within any further period that we agree in writing.
- f You must immediately pass on to us unanswered any communications at all from any third parties that you may receive connected to any event which may result in a claim under this policy.
- g You must not admit or repudiate liability, nor offer to settle, compromise, or make any payment which may result in a claim or pay any claim under this policy without our clear and specific agreement in writing.
- h You must allow us to take over and conduct in your name the defence or settlement of any claim. You will also allow us to prosecute at our own expense and for our own benefit any claim for indemnity or compensation against any other person and you must give us all information and assistance that we may require and request of you in connection with this.

## 7 Contribution

Where any loss, destruction, damage or liability covered by this Trader policy is also covered by another policy, (or would be if this Trader policy were not in place), we will pay out only a rateable share of the loss.

If the Property Insured covered by the other insurance is subject to a provision excluding proportional payment in whole or in part, we will pay out only up to the same proportion of the loss, destruction or damage as the Sum Insured bears to the value of the property.

## 8 Discharge of liability

We may at any time pay the Limit of Indemnity or the Sum Insured or any lesser sum for which a claim can be settled. We will deduct the amount of any sum already paid. No further payment will be due other than any costs and expenses legitimately incurred prior to the claim being paid. Where the Limit of Indemnity or the Sum Insured is an aggregate amount, this will be reduced by the amounts of any claims made during the Period of Insurance against which we pay out. The most we will pay out against any further claims will be that reduced amount.

Where an allegation or legal action is made against you which is covered only in part by this policy:

- a where an allegation or legal action against you relates to circumstances and/or occurrences some of which are covered by the policy and some are not
- b where an allegation or legal action is made against you and other persons not covered by the policy are party to the proceedings or demand relating to the circumstances and/or occurrences

we reserve the right to pay out for the claim only in proportion to your share of the liability for total costs and damages awarded to the person or organisation who brought the legal action against you.

If you and we are unable to agree on an allocation, then we shall proceed initially on the basis of what we believe to be covered by this policy until a different allocation is negotiated or determined by legal process. Any such negotiated or legally determined allocation will be applied retroactively to all costs on account of such circumstance or occurrence or claim.

#### **9** Fraud, non-disclosure, misrepresentation or misdescription

We reserve the right to declare this Trader policy void from its inception date or from the date of a claim or alleged claim, if:

- a a claim made by you or anyone acting on your behalf to obtain a policy benefit is fraudulent or intentionally exaggerated, whether ultimately material or not
- b a false declaration or statement is made or fraudulent device put forward in support of a claim.
- c if you or anyone acting for you fails to disclose, misrepresents or misdescribes any material fact.

#### **10** Identification

The policy and Schedule must be read as one contract. Any word or phrase which is not specifically defined will have its ordinary meaning.

#### **11** Index linking

At renewal where it states in the Schedule that index linking applies, we will adjust the amounts insured according to the following indices;

- a any building and tenants improvements item:  
The General Building Cost Index issued by the Building Cost Information Service of the Royal Institution of Chartered Surveyors
- b other items:  
The Producer Price Index for Home Sales of Manufactured Products issued by the Department of Trade and Industry or successor bodies.

We may select alternative measures if any of these indices are unavailable or unsuitable.

In respect of claims, these adjustments will continue during the Period of Insurance and during any period of repair, replacement or reinstatement as long as any work is carried out and completed without undue delay.

#### **12** Our rights

If loss, destruction or damage occurs which may lead to a claim we reserve the right to:

- a enter or take possession of the building or premises
- b take possession of any Property Insured, or require such property to be delivered to us.  
We undertake to deal with such property in a reasonable manner.

Neither of the above will incur liability on our part nor reduce our rights.

#### **13** Reasonable precautions

You must:

- a maintain the premises, machinery, plant and equipment in a satisfactory state of repair
- b take all reasonable precautions to prevent loss, destruction or damage to Property Insured, or accident or injury to any person or loss, destruction or damage to their property
- c comply with all legal requirements and safety regulations and conduct the business in a lawful manner
- d keep books or electronic records with a complete record of purchases and sales, copies of which are kept away from the premises.

#### 14 Reinstatement

When we decide, or are required to, reinstate or replace any property you will at your own expense provide all and any plans, documents, books and information which we may require or request of you.

We will not be obliged to reinstate property exactly as it was, but only in a manner that is as satisfactory as circumstances reasonably permit.

The maximum amount we will pay out for any one item is the Sum Insured stated in the Schedule for that item.

#### 15 Subrogation

When we pay out against any claim under this Trader policy, by doing so we immediately acquire all your rights of recovery relating to that claim; any amounts recovered after such payment will be due to us. This is known as subrogation.

When you make a claim under this Trader policy, you must, at our expense, do everything that we may reasonably require or request of you to enforce a right or remedy and/or obtain relief or indemnity from other parties. The proceeds of any such payment or making good loss, destruction, damage, accident or injury will be subrogated to us and we will be entitled to them.

We reserve the right to require that you comply with any such requests on our part before or after we make any admission of a claim or make any payment at all.

We will not exercise such rights against any director, executive officer, employee or partner of your business unless the claim has been brought about or contributed to by dishonest, fraudulent, malicious or criminal act or omission on their part.

#### 16 Subjectivity

The policy, the application form, statement of fact and/or declaration made by you, and the Schedule, should be read together and form the contract of insurance between you, the Policyholder, and us Barbican Insurance:

- a we will clearly state in the Schedule if the cover provided by the policy is subject to you:
  - i providing us with any additional information requested by specified date(s)
  - ii completing any actions agreed between you and us by specified date(s)
  - iii allowing us to complete any actions agreed between you and us.
- b if we require or request it of you, you must allow us access to the premises and/or the business to carry out survey(s), within 60 days of the inception or renewal date of this Trader policy, unless we agree otherwise in writing.

Following anything under a or b above, we reserve the right to:

- i modify your premium
- ii issue a mid-term amendment to your policy or section terms and conditions
- iii require you to make alterations to the premises insured by specified date(s)
- iv exercise our right to cancel your policy.

We will notify you of any requirements and specify the dates by which any action is required and also the dates by which any decision by us will take effect. If you disagree with anything we require or any changes we intend to make to your policy, you must notify us of your reasons. We will be open to negotiation with a view to resolving the matter to mutual satisfaction, but reserve the right to stand by our decisions. If the matter cannot be resolved:

- i you have the right to cancel this policy from a date agreed by you and us and, providing no claims have been made, we will refund a proportionate part of the premium paid for the unexpired period of cover
- ii we may, at our option, exercise our right to cancellation.

#### **17** Transfer of interest

In the event of damage to a building insured under this policy when you have entered into a contract to sell your interest in it, but the contract has not yet been completed and the building has not yet been insured by or on behalf of the purchaser, when the purchase is subsequently completed we will indemnify the purchaser to the extent that this policy insures that building.

This will not affect either your or our rights and liabilities up to the date of completion of the purchase.

#### **18** Merger or acquisition

If, during the Period of Insurance, your business consolidates with, is merged into, or is acquired by any other entity then we will be liable to pay out only for claims occurring prior to the effective date of the consolidation, merger or acquisition, unless we agree otherwise in writing.

#### **19** Alteration and assignment

No change in, modification of, or assignment of interest under this policy shall be effective except when made by written endorsement to this policy and signed by an authorised employee of the Barbican Insurance Group.

#### **20** Third parties

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

#### **21** Policy construction and interpretation

The construction, interpretation and meaning of the provisions of this policy shall be determined in accordance with English law, and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the Courts of England and Wales.

Under this policy, the masculine includes the feminine and neuter, the singular includes the plural, and vice versa.

In granting indemnity to you under this policy we have relied upon the declarations, statements and attachments to the written application for insurance. All such declarations, statements, and attachments form the basis of indemnity and shall be deemed to be part of the proposal or application for this policy.

## Security Conditions

The following Conditions Precedent apply only if stated in the Schedule.

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### Protections

It is a Condition Precedent to our liability in respect of loss, destruction or damage caused by theft or attempted theft that whenever the premises shown in the Schedule are closed for business or left unattended that all security devices provided to protect the premises are properly fitted and put into full operation.

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### Intruder alarm system

Where we have requested the installation of an intruder alarm system, it is a Condition Precedent to our liability in respect of loss, destruction or damage caused by theft or attempted theft that an alarm system be fitted conforming to a specification agreed by us and must include exit door coverage and internal volumetric sensing.

Any such system must be:

- a fitted in accordance with our requirements and no alteration or variation of the system or any structural alteration to the premises which would affect the system shall be made without our written consent
- b kept in good order and put into full and effective operation whenever the premises or the alarmed portion of the premises are closed for business to customers or callers or are unattended
- c inspected and maintained in accordance with the Code of Practice under Section 4.2 of BS4737:1986 under contract by an installer included in the official list of Recognised Firms of the Gold Standard NSI or any other installer approved by us.

All keys of the intruder alarm system and to any safe or strongroom containing Property Insured and any duplicate keys relative to the security of the premises must be removed from the premises whenever they are closed for business or left unattended. Where you or an employee occupy part of the premises residentially, all such keys must be removed from the business part of the premises.

In the following circumstances, we will not regard the intruder alarm system as being in good order and/or in full and effective operation:

- a to your knowledge a telephone line, direct line or central station warning system specified as part of the intruder alarm system is not in full and effective working order, or if you have had notice of withdrawal of the police or telephone or central station service and/or such service has actually been withdrawn
- b you have had notice from a Local Authority or Magistrate that imposes any requirement for abatement of a nuisance under the terms of the Environmental Protection Act 1990 or any subsequent or other legislation.

Breach of this condition shall only invalidate claims in respect of theft or attempted theft of property whilst contained in the premises at which the breach of condition has occurred.

If anything happens that means you cannot comply with the above condition in any way, you must inform us immediately. According to the circumstances, we will see if we can help reinstate your cover.

## Minimum security

It is a Condition Precedent to our liability in respect of loss, destruction or damage caused by theft or attempted theft that the following minimum levels of security must be fitted and in operation whenever the premises are closed for business or left unattended.

Any door or window designated a fire exit by any person who is legally responsible under current fire safety legislation, is excluded from these requirements.

Final exit doors must be secured as follows:

- a timber doors; by mortice deadlocks having five or more levers or conforming to BS3621 with matching boxed striking plate
- b aluminium doors; by cylinder mortice lock operating a swinging lock bolt
- c PVCu doors; by key operated multi-point locking devices having three or more locking points
- d the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.

All other external doors and internal doors leading to common areas or other premises must be secured:

- a by the means set out above, or
- b by key operated security bolts fitted top and bottom.

All opening windows or rooflights accessible from the ground or via roofs, pipework or other structures must be secured by key operated locking devices or screwed permanently shut.

Any security measures stipulated or agreed by us in writing must be implemented and in full and effective working order.

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