

Review of Inventory of Land and Other Assets

The Current inventory of land and other assets is attached as the Asset Register at Appendix A.

Confirmation of arrangements for insurance cover through Community Action Suffolk in respect of all insurable risks is attached as Appendix B.

WICKHAMBROOK PARISH COUNCIL

Fixed Asset Register

| Description | Date Acquired | Purchase Cost £ (incl VAT) | Financial Year | Asset Cost (excl VAT) | Location |
|---|----------------------|-------------------------------|---------------------|--------------------------|---|
| TOTAL Excluding Buildings as at 2020-21 | | | | £ 165,149.38 | |
| Cemetery Chapel* | pre-1998 | £ 181,930.00 | pre-1998 | £ 151,609.00 | Chapel of Res Cemetery |
| War Memorial** | pre-1998 | £ 61,560.00 | pre-1998 | £ 51,300.00 | War Memorial Cemetery |
| Village Sign | 1998 | £ 1,905.00 | 1998-99 | £ 1,905.00 | Street Furnitur Thorn's Corner |
| Cemetery Gate | August 2001 | £ 1,400.00 | | £ 1,191.00 | Gates & Fenci Cemetery |
| Hardwood Bench | September 2001 | £ 341.00 | | £ 341.00 | Street Furnitur Attleton Green |
| Hardwood Bench | September 2001 | £ 341.00 | | £ 341.00 | Street Furnitur Coltsfoot Green |
| | 2001-02 | £ 2,082.00 | £ 206,687.00 | | |
| Half-pipe with hip | 31/01/2013 | £ 11,133.00 | | £ 9,277.50 | Playground Ec Skate Park, Cemetery Road |
| Quarter pipe | 31/01/2013 | £ 4,022.00 | | £ 3,351.67 | Playground Ec Skate Park, Cemetery Road |
| Funbox with curb | 31/01/2013 | £ 4,363.00 | | £ 3,635.83 | Playground Ec Skate Park, Cemetery Road |
| Grind rail | 31/01/2013 | £ 325.00 | | £ 270.83 | Playground Ec Skate Park, Cemetery Road |
| Curb | 31/01/2013 | £ 488.00 | | £ 406.67 | Playground Ec Skate Park, Cemetery Road |
| Slide rail | 31/01/2013 | £ 488.00 | | £ 406.67 | Playground Ec Skate Park, Cemetery Road |
| Youth shelter | 31/01/2013 | £ 3,886.00 | | £ 3,238.33 | Playground Ec Skate Park, Cemetery Road |
| Skatepark fencing | 31/01/2013 | £ 3,105.00 | | £ 2,587.50 | Gates & Fenci Skate Park, Cemetery Road |
| Playland fencing | 31/01/2013 | £ 7,965.00 | | £ 6,637.50 | Gates & Fenci Skate Park, Cemetery Road |
| Basketball system | 31/01/2013 | £ 733.00 | | £ 610.83 | Sports Equiprn Skate Park, Cemetery Road |
| Litter bin | 31/01/2013 | £ 164.00 | | £ 136.67 | Street Furnitur Skate Park, Cemetery Road |
| Litter bin | 31/01/2013 | £ 164.00 | | £ 136.67 | Street Furnitur Skate Park, Cemetery Road |
| Baseworks | 31/01/2013 | £ 18,750.00 | | £ 15,625.00 | Sports Grounc Skate Park, Cemetery Road |
| | 2012-13 | £ 55,586.00 | £ 46,321.67 | | |
| Toddler multi-unit | 19/07/2013 | £ 5,110.00 | | £ 4,258.33 | Playground Ec Playground, Cemetery Road |
| Junior multi-unit | 19/07/2013 | £ 14,615.00 | | £ 12,179.17 | Playground Ec Playground, Cemetery Road |
| Infinity web climber | 19/07/2013 | £ 8,048.00 | | £ 6,706.67 | Playground Ec Playground, Cemetery Road |
| Dish roundabout | 19/07/2013 | £ 1,344.00 | | £ 1,120.00 | Playground Ec Playground, Cemetery Road |
| Maypole | 19/07/2013 | £ 1,875.00 | | £ 1,562.50 | Playground Ec Playground, Cemetery Road |
| Bird's nest swing | 19/07/2013 | £ 2,688.00 | | £ 2,240.00 | Playground Ec Playground, Cemetery Road |
| 360 degree dish | 19/07/2013 | £ 768.00 | | £ 640.00 | Playground Ec Playground, Cemetery Road |
| Litter Bin | 19/07/2013 | £ 344.00 | | £ 286.67 | Street Furnitur Playground, Cemetery Road |
| Bee Springer | 19/07/2013 | £ 841.00 | | £ 700.83 | Playground Ec Playground, Cemetery Road |
| Snail Springer | 19/07/2013 | £ 594.00 | | £ 495.00 | Playground Ec Playground, Cemetery Road |
| Supernova | 19/07/2013 | £ 4,241.00 | | £ 3,534.17 | Playground Ec Playground, Cemetery Road |
| Stand and Spin | 19/07/2013 | £ 532.00 | | £ 443.33 | Playground Ec Playground, Cemetery Road |
| Snake Weaver | 19/07/2013 | £ 365.00 | | £ 304.17 | Playground Ec Playground, Cemetery Road |
| Stepping Posts | 19/07/2013 | £ 143.00 | | £ 119.17 | Playground Ec Playground, Cemetery Road |
| Tables and bench | 19/07/2013 | £ 2,026.00 | | £ 1,688.33 | Street Furnitur Playground, Cemetery Road |
| Playground Fence | 2013 | £ 5,315.00 | | £ 5,315.00 | Gates & Fenci Playground, Cemetery Road |
| | 2013-14 | £ 48,849.00 | £ 41,593.33 | | |
| Benches (3) | 28/09/2017 | £ 1,197.00 | | £ 997.50 | Street Furnitur Cemetery Garden |
| Cableway (Zip Wire) | 18/01/2018 | £ 9,444.00 | | £ 7,870.00 | Playground Ec Playground, Cemetery Road |
| | 2017-18 | £ 10,641.00 | £ 8,867.50 | | |
| Hydraulic Gate Closer | 28/03/2019 | £ 246.35 | | £ 205.29 | Gates & Fenci Playground, Bury Road |
| | 2018-19 | £ 246.35 | £ 205.29 | | |
| Parish Laptop for Clerk | 25/04/2019 | £ 591.98 | | £ 532.99 | Contents Clerk Office |
| Westminster Fiat Arm Garden Bench | 27/06/2019 | £ 274.00 | | £ 228.33 | Street Furnitur Genesis Green |
| Printer - Lexmark | 26/09/2019 | £ 395.94 | | £ 329.95 | Contents Clerk Office |
| Proster Emergency Warning Strobe Light | 31/10/2019 | £ 20.48 | | £ 15.99 | Contents Cllr Highways Portfolio |
| Re-instatement of Playfort | 1/10/2019 & 28/02/20 | £ 4,459.46 | | £ 3,716.22 | Playground Eq Playground, Cemetery Road |
| Parish Laptop for VAS Work | 28/11/2019 | £ 329 | | £ 274.17 | Contents Cllr Highways Portfolio |
| Lock for Double Gates & Cemetery Road Play Park | 27/02/2020 | £ 19.94 | | £ 19.94 | Locks Playground, Cemetery Road |
| | 2019-20 | £ 6,090.80 | £ 5,117.59 | | |
| New Play Equipment (Bury Road) | 01/09/2020 | £ 7,353.60 | | £ 6,128.00 | Playground Equipment |
| New Gate (Bury Road) | 01/09/2020 | £ 936.00 | | £ 780.00 | Gates & Fences |
| Commemorative WWII Bench | 05/02/2021 | £ 1,269.60 | | £ 1,058.00 | Street Furniture |
| | £ 9,559.20 | £ 7,966.00 | £ 316,758.38 | | |
| *revised (rebuild cost) following valuation September 21 | £ 59,618.00 | | | | |
| **revised (rebuild cost) following valuation September 24 | £ 27,607.00 | | | | |



**PARISH
PROTECT**

Parish Protect Schedule

Welcome to The Military Mutual.

You should read this Schedule in conjunction with your Cover Wording

These details are a record of the information provided to The Military Mutual. It is also essential that you read all of the clauses applying to your Cover as these contain important information that may affect the specific cover provided.

Membership Number: Tbc

Your Details:

Coverholder:

Wickhambrook Parish Council

Correspondence Address:

123 York Road, Bury St
Edmunds, Suffolk IP33 3EG

Business Description:

Your Intermediary's Details:

Intermediary Name: Business Services at CAS Ltd

Address: Brightspace, 160 Hadleigh Road, Ipswich, IP2 0HH

Your Cover Dates:

Period of Cover: 01/04/2021

To: 31/03/2022

Renewal Date: 01/04/2022

Your Contribution Information:

The Military Mutual Cover: £750.69

Insurance Premium Tax: £4.20

Total Amount Due: £754.89

Rate Stability Agreement Expiry Date: N/A

Reason for Issue: New policy

If there are any additional Cover-level Clauses applicable, these are shown below

The protection available for our Property Damage and Business Interruption Cover are as follows:

- | | |
|--|----------------------------------|
| 1. Fire, Lightning, Aircraft and Explosion | 7. Sprinkler leakage |
| 2. Earthquake | 8. Theft |
| 3. Riot and malicious persons | 9. Subsidence |
| 4. Storm or flood | 10. Any other accident |
| 5. Escape of water | 11. Glass |
| 6. Impact | 12. Specified Items: 'All Risks' |

It is important to note that the actual Covers may vary for each Premises and the Covers excluded are specified on the following Premises pages of the Schedule.

For the full definition of the terms of Cover please refer to the Cover Wording.

In choosing this product and the level of Cover you have not received any personal recommendations from The Military Mutual.

Property Damage Cover

Property Covered

The Premises: Anywhere within The United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

| Premises | Occupation | Buildings Sum Covered |
|---|----------------|-----------------------|
| Chapel of Rest, Cemetery Road, Wikchambrook CB8 8UR | Chapel of Rest | £151,609.00 |

Total sum Covered:

£151,609.00

Covers not included:

7. Sprinkler leakage

Cover (if included)

Policyholder's Excess

| | |
|---------------------------------------|--------|
| Subsidence | £1,000 |
| All other Covers | £250 |
| Fire, Lightning, Aircraft & Explosion | Nil |

If there are any additional Cover-level Clauses applicable, these are shown below

All Risks

Property Covered

Territorial Limits:

The United Kingdom of Great Britain and Northern Ireland, the Isle of Man and Channel Islands

Sum Covered:

**Up to
£200,000**

Excess

£100

Covers not included

1. Sprinkler Leakage

If there are any additional Cover-level Clauses applicable, these are shown below

Business Interruption Cover

Item

Excess

Gross Revenue/Income
Maximum Indemnity Period 12 Months
Additional Increased Cost of Working
Maximum Indemnity Period 12 Months

Extensions

Refer to Policy Wording for full details of extensions.
Additional Metered Utility charges
Notifiable Disease
Murder or Suicide
Vermin, Pest & Defective Sanitisation

Total sum covered for Business Interruption Cover £20,000

If there are any additional Clauses applicable to Business Interruption Cover, these are shown below

Money Cover
Section 1 Money

| Item No | | Limit of Liability any one loss | Excess |
|----------------|---|--|---------------|
| 1A | Money in the Coverholder's Premises during Working Hours or in transit | £2,000 | |
| 1B)1 | Money in the Coverholder's Premises out of Working Hours in the following locked safes | £2,000 | |
| 1B)2 | Money in the Coverholder's Premises out of Working Hours in a Locked Strongroom | £2,000 | |
| 1B)3 | Money in all other locked safes at the Coverholder's Premises | £2,000 | |
| 1C)1 | Money in the residence of Employees or any of the Coverholder's Officials or Council members in a locked safe or whilst adults in the residence | £500 | |
| 1C)2 | Money in the residence of Employees or any of the Coverholder's Officials or Council members other than in a locked safe or adult in residence | £250 | |
| 2 | Non-Negotiable Money | £250,000 | |

Section 2 Personal Injury (Robbery)

Refer to Cover section for appropriate benefits

If there are any additional Clauses applicable to Cover for Money, these are shown below

Liability Cover

Section 1

| Employers' Liability | Cover Limit | Excess Any one Event |
|---|--------------------|---------------------------------|
| Any one Event (excluding liability arising directly or indirectly out of Terrorism) | £10,000,000 | £0.00 |
| Any one Event arising directly or indirectly out of Terrorism | £5,000,000 | £0.00 |

If there are any additional Clauses applicable to Employers' Liability Cover, these are shown below

Section 2

| Public / Products Liability | Cover Limit | Excess Any one Event |
|--|--------------------|---------------------------------|
| Any one Event | £10,000,000* | £250 |
| All Events happening during the Period of Cover in respect of products supplied | £10,000,000* | £250 |
| All incidents considered by the Mutual to have occurred during the Period of Cover in respect of all Sudden Pollution or Contamination Incidents | £10,000,000* | £250 |
| Libel & Slander committed during the period of Cover | £250,000 | £250 |
| Environmental Clean-up Costs | £1,000,000 | £250 |
| Indemnity to Hirer | £2,000,000 | £250 |

* The Military Mutual retains the first £5,000,000 of this cover, with the remaining £5,000,000 being provided by a Third Party

The third-party provider approved by The Military Mutual is Munich Re which administers this cover on The Mutual's behalf

If there are any additional Clauses applicable to Public/Products Liability Cover, these are shown below

Section 3**Legal Defence Costs****Cover Limit****Excess
Any one Event****Part A**

The total amount payable by the Mutual in respect of all costs and expenses arising out of all claims during any Period of Cover

£250,000

Part B

The total amount payable by the Mutual in respect of all costs and expenses arising out of all claims during any Period of Cover

£250,000

If there are any additional Clauses applicable to Cover for Legal Defence Costs, these are shown below

Fidelity Cover

| Fidelity | Cover Limit | Excess Any one Event |
|-------------------------------|--------------------|---------------------------------|
| Cover Limit for Any One Claim | £250,000 | £500 |
| Aggregate Limit of Cover | £250,000 | |

Name or category of Employee: All Council Members and Employees of the Coverholder

Geographical Limits: Great Britain Northern Ireland the Isle of Man or the Channel Islands

Officials Liability Cover

| | Cover Limit | Excess Any One Event |
|--|--------------------|---------------------------------|
| i. Officials Liability All events happening during any period of cover | £1,000,000 | |

If there are any additional Clauses applicable to Officials Liability Cover, these are shown below

Personal Accident Cover

| | Person(s) Covered | Operative Time |
|----------|---|----------------------------------|
| Category | Description | PA Cover |
| A | Any Employee of the Coverholder resident in Britain | 24 Hour |
| B | Any council member of the Coverholder resident in Britain | 24 Hour |
| C | Any volunteer of the Coverholder resident in Britain | Occupational Including Commuting |

Personal Accident

| Benefit | Category of Person Covered | | |
|---------|----------------------------|--------------------|---------------------|
| | Cat A | Cat B | Cat C |
| 1-4 | £50,000 | £ 50,000 | £50,000 |
| 5 | £250 | £250 | £250 |
| 6 | £250 | £250 | £250 |
| 7 | 30% of benefits 1-6 | 30% of benefits1-6 | 30% of benefits 1-6 |

Payment Period

Benefit 5 and 6 are payable per week for a maximum of 104 weeks in all not necessarily consecutive

Deferment Period

Benefits 5 and 6 are not payable for the first nil days of any Period of Disablement

Subject otherwise to the Terms, Definitions, Conditions and Exclusions of the Cover.



Parish Protect Cover Wording

FOR MORE INFORMATION CONTACT US

Phone: 01473 345303

Email: insurance@communityactionsuffolk.org.uk

Website: www.parishprotect.co.uk

Address: Business Services at CAS Ltd, Brightspace, 160 Hadleigh Road, Ipswich, IP2 0HH



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Introduction

Thank you for taking cover with The Military Mutual. We're glad to have you with us and hope you are proud to be a Member.

Your Cover Documents (including the Schedule, Endorsements, Clauses and Certificates) contains important information about Your cover, and should be kept in a safe place.

We are happy to provide duplicates if you mislay any part of Your Cover documentation.

Please read the Cover and Schedule carefully and if they do not meet Your needs return them to us or Your intermediary.

Customer Care

Claims Helpline

We recognise that losses mean disruption to **Your** municipality and that the ultimate test of any Cover is providing a fast, effective claims service. **We** also realise that running a business means that it might not be convenient for **you** to report a claim to **us** during normal office hours. That's why **you** can now notify **us** of any claim when it suits **you** – any time of the day or night. All **you** have to do is call.

Further details are contained in the Cover Summary provided with **Your** Cover.

24 hour Claims Helpline: 0121 411 0535

(Please quote **Your** Cover Number which can be found on **Your** Schedule).

Emergency Repairs

Should emergency repairs be needed to **Your** property, **we** will put **you** in touch with a tradesman from **Our** carefully selected panel. **You** will have to pay the cost of any work done, but where the damage is caused by a Covered event, **you** can of course submit the cost as part of **Your** claim. Whatever the nature of the emergency, **you** just need to make a single phone call.

Catastrophe Claim

If **you** are faced with a major catastrophe, such as a serious fire or flood, **we** recognise that **you** will need expert assistance immediately. **We** will send a representative to help **you** in a major crisis, 24 hours a day, 365 days a year.

Advice Lines

Where do **you** turn for answers to questions that affect **Your** business? **Our** advice lines will put **you** in touch with highly qualified experts who can offer information and assistance on a wide range of issues:

- Legal assistance **0344 892 0161**

If **You** need to use the Helpline Service, please have ready **Your** policy number as shown in your Legal Expenses Schedule

Your Cover

This Cover is an arrangement between **you** (also referred to as **The Coverholder** or **Your**) and **us** (also referred to as **The Mutual, we, Our** or **The Military Mutual**).

This Cover and any Schedule, Endorsements, Clauses and Certificates should be read as if they are one document.

The Military Mutual's acceptance of this risk is based on the information presented to **The Military Mutual** being a fair presentation of **The Coverholder's** business including any unusual or special circumstances which increase the risk and any particular concerns which have led **The Coverholder** to seek cover.

Any reference to the singular will include the plural or vice versa.

Any reference to any statute or statutory instrument will include any modifications or re-enactment thereto.

Any heading in this Cover is for ease of reference only and **does not** affect its interpretation.

The Military Mutual will provide the Cover described in this Cover (subject to the terms set out herein) for the Period of Cover shown in the Schedule and any subsequent period for which **The Coverholder** shall pay and **The Military Mutual** shall agree to accept the paid contribution.

Identity of The Mutual

The Military Mutual Limited (The Mutual, We, or Us), 54 Fenchurch Street, London, EC3M 3JY.

The Mutual is a company registered in England and Wales. It is an appointed representative of MGA Managers Limited which is authorised and regulated by the Financial Conduct Authority (FCA) under FCA Ref: 771791, and of Hood Group Ltd which is authorised and regulated by the Financial Conduct Authority (FCA), FRN: 614602 and **You** can check their registration on the Financial Services Register by visiting the FCA's website <https://register.fca.org.uk/>.

Concerning The Mutual

The Mutual is a discretionary mutual. This means that claims are handled in line with **The Mutual's** rules and whilst **You** should expect that valid claims will be paid, the board has the final decision. This means that they may also agree claims for **Our** members which would not otherwise be covered by a conventional insurance policy.

The Mutual also arranges contracts of insurance for its members offered by certain third party providers.

Group Insurance Policy

As an added benefit of membership, members of **The Mutual** who have bought **The Mutual's** discretionary cover can have protection under a group insurance policy which **The Mutual** has taken out with Builders Direct S.A., a European insurance company (the Group Insurance Policy). The Group Insurance Policy also gives **You** access to the Financial Ombudsman Service (FOS) and the Financial Services Compensation Scheme.

The protection **You** can receive under the Group Insurance Policy guarantees that **You** will be paid for a covered loss in the event that **We** do not pay **You** in full under the discretionary cover. This Group Insurance Policy is quite separate from **Your** discretionary cover under the Cover with **The Mutual**. Builders Direct S.A. do not make any charge to **You** for the Group Insurance Policy.

You can choose to have the benefit of the Group Insurance Policy for as long as **you** have cover with **The Mutual** under the Cover, but **You** can tell **Us** to remove **you** from the Group Insurance Policy at any time. Please refer to the "Opting Out" section below.

You can find out more information about the Group Insurance Policy in **Your** Business Cover Schedule and in the Group Insurance Product Policy Document.

This is available at <https://www.themilitarymutual.com/products/commercial-insurance/>

Opting out of the Group Insurance Policy

If **You** are insured by Builders Direct S.A. under the Group Insurance Policy **We** have arranged for our members, **You** can ask to be removed from the policy at any time. However, as this important additional protection is provided to the members free of charge, **We** strongly encourage **You** to retain this important benefit of membership of **The Mutual**.

Cooling off period

If **you** decide that this cover is not what **you** need, **you** can cancel it by writing to **us** or emailing **us** within 14 days from

- when a cover period first starts or
- when **you** first receive or can access full details of **Your** cover after a cover period starts **You** will receive a refund of any contribution paid for the cover period if **you** have not made a claim and nothing has happened that could result in a claim

This Cover may be cancelled:

- A) by **us** giving 30 days
- B) notice in writing to **you** at **Your** last known address.
- C) by **you** giving 30 days notice in writing to **us** at the address shown in the Schedule.

You will be entitled to a proportionate return of contribution paid unless a claim has been made in the current Period of Cover.

For and on behalf of The Military Mutual Ltd.



Lee Mooney
Chief Executive Officer

Claim Notification

Conditions that apply to this Cover in the event of a claim are set out in the Cover Conditions pages of this Cover. It is important that **you** comply with all Cover Conditions and **you** should familiarise yourself with their requirements.

Directions for claim notification are included in the Cover Conditions. Please remember that events that may give rise to a claim under this cover **must** be notified as soon as reasonably possible although there are some situations where immediate notification is required.

The Cover Conditions require **you** to provide **us** with any reasonable assistance and evidence that **we** may require concerning the cause and value of any claim. Ideally, as part of **Your** initial claim notification, **you** should provide:

- **Your** name, address, and **Your** email and contact numbers
- Personal details necessary to confirm **Your** identity
- Cover number
- The date of the incident
- The cause of the loss or damage
- Details of the loss or damage together with claim value if known or in respect of injury the nature and extent
- The crime reference number where applicable
- Names and addresses of any other parties involved or responsible for the incident (including details of injuries) and addresses of any witnesses

This information will enable **us** to make an initial evaluation on Cover liability and claim value. **We** may, however, request additional information depending upon circumstances and value which may include the following:

- Original purchase receipts, invoices, instruction booklets or photographs
- Purchase dates and location of lost or damaged property
- For damaged property, confirmation from a suitably qualified expert that the item **you** are claiming for is beyond repair

Sometimes **we** or someone acting on **Our** behalf, may wish to meet with **you** to discuss the circumstances of the claim, to inspect the damage or to undertake further investigations.

We take pride in the claims service **we** offer to **Our** customers. **Our** philosophy is to repair or replace lost or damaged property, where **we** consider it appropriate, and **we** have developed a network of contractors, repairers and product suppliers dedicated to providing claim solutions.

Where **we** can offer repair or replacement through a preferred supplier but **we** agree to pay a cash settlement, then payment will normally not exceed the amount **we** would have paid **Our** preferred supplier.

We recognise that there may be some occasions when **You** need to notify **us** of matters urgently and **The Military Mutual** is pleased to be able to offer a Claims Helpline.

The 24hr Claims Helpline number is. 0121 411 0535

Email

For Liability Claims: claimsmanagement@questgates.co.uk

For Property Claims: tpasolutions@questgates.co.uk

Please quote Your Cover number when you call.

Cover Conditions

It is a requirement of **The Mutual** that the following Cover Conditions apply as stated except so far as is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to Employees.

Applicable to the whole Cover unless otherwise stated:

1 Action by The Coverholder

On the discovery of any circumstance or event which may give rise to a claim under this Cover **The Coverholder** shall:

- A) notify **The Mutual** as soon as reasonably possible,
- B) give notice within 24 hours to the Police Authority in respect of Damage (other than by fire or explosion) caused by Riot and malicious persons or thieves if Covered by this Cover,
- C) carry out and permit to be taken any action which may be reasonably possible to prevent further Damage and to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss,
- D) within 30 days after the circumstances or event or of the expiry of the Indemnity Period or such further time as **The Mutual** may allow, and at **Your** own expense, deliver to **The Mutual**:
 - i) full information in writing of the claim,
 - ii) details of any other cover relating to the claim,
 - iii) all such business books, documents, proofs, information, explanation and other evidence as may be reasonably required all of which information and details may be produced by **The Coverholder's** professional accountants or auditors who are regularly acting as such, their report being prima facie evidence of such information and details,
 - iv) if demanded a statutory declaration of the truth of the claim and of any matter connected with it.
- E) **in respect of Liability Cover:**
 - i) Every letter, claim, writ or summons and process in connection with such circumstances shall be forwarded to **The Mutual** without undue delay on receipt,
 - ii) Written notice shall also be given without undue delay by **The Coverholder** to **The Mutual** immediately **The Coverholder** shall have knowledge of any prosecution, inquest or inquiry in connection with any circumstance which may give rise to liability under this Cover.

- iii) No admission offer promise payment or indemnity shall be made or given by, or on behalf of, **The Coverholder**, without the written consent of **The Mutual** which shall be entitled to take over the absolute control and conduct in the name of **The Coverholder**; the negotiation, proceeding defence or settlement of any claim or to prosecute any claim in the name of **The Coverholder** for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim.

Failure to comply will result in a claim being rejected or settlement reduced unless **The Mutual** considers such non-compliance to be immaterial to the loss.

- F) in respect of Money Cover- Section 2 Personal Injury (Robbery), Personal Accident Cover:
 - i) provide all medical certificates, reports, information and evidence required by **The Mutual** to substantiate that claim. Refer to the Evidence Required Condition under each section for full details.
- G) in respect of Officials Liability Cover 'Action by **The Coverholder**' shall mean that **The Coverholder** must act in accordance with 'Officials Liability Cover Claims conditions' (Page 56)

If the terms of this Condition have not been complied with, and as a direct consequence, the amount for which **The Mutual** is liable under this Cover has increased, then no payment shall be made by **The Mutual** in respect of the amount of such increase.

2 Alterations (not applicable to Officials Liability Cover)

This Cover shall be terminated if:

- A) the Business is wound up or carried on by a liquidator or receiver or permanently discontinued or
- B) **The Coverholder's** Interest ceases otherwise than by death or
- C) any alteration is made either in the Business or in the Premises or Property therein or any other circumstances whereby the risk is increased unless otherwise stated.

at any time after the commencement of this Cover unless its continuance be admitted by **The Mutual** and in respect of 2C) **The Mutual** agree not to avoid the Cover provided that:

- i) such alteration is not of such a nature that if the alteration had occurred prior to the commencement of this Cover **The Mutual** would not have entered into this Cover on any terms,
- ii) **The Coverholder** shall pay an appropriate additional Contribution if required by **The Mutual** with effect from the date of the alteration,
- iii) **The Mutual** shall be entitled to impose appropriate additional terms, other than Contribution, with effect from the date of the alteration.

3 Arbitration

- A) Not applicable to Liability & Officials Liability Covers If any difference arises as to the amount to be paid under this Cover (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions.
- Where any difference is, by this condition, to be referred to arbitration, the making of an award shall be a requirement to any right of action against **The Mutual**.
- B) Applicable to Liability Cover - Section 3 Legal Defence Costs only
Any dispute between the **Coverholder** and **The Mutual** in respect of Liability Cover Section 3 (Legal Defence Costs) may be referred to a single arbitrator who shall be a solicitor or barrister agreed upon by both parties. Failing agreement the arbitrator will be nominated by the President of the appropriate Law Society Bar Council or professional body within Great Britain Northern Ireland the Channel Islands or the Isle of Man.
- The party against whom the decision is made shall meet all the costs of the arbitration in full.
- If the decision is not clearly made against either party the arbitrator shall have the power to apportion costs.
- If the decision is made in **The Mutual's** favour the **Coverholder** costs shall **not** be recoverable under this Policy.
- C) In respect of Officials Liability Cover '5 Arbitration shall mean in accordance with 'Officials Liability Cover Claims conditions
- D) Disputes as to Contesting Legal Proceedings'

4 Cancellation

(not applicable to Officials Liability Cover)

This Cover may be cancelled:

- A) by **The Mutual** giving 30 days notice in writing to **The Coverholder** at the last known address, or
- B) by **The Coverholder** giving 30 days notice in writing to **The Mutual** at the address shown in the Schedule provided that a Rate stability Agreement (as detailed in the Schedule) is not applicable to the Cover.

The Coverholder will be entitled to a proportionate return of Contribution unless a claim has been made in the current Period of Cover.

5 Other cover Condition

- A) Applicable to Property Damage, Business Interruption Covers only:
If at the time of any claim, there is any other cover covering **The Coverholder's** interest in the Property Damaged, **The Mutual's** liability under this Cover shall be limited to its ratable proportion of such claim, and will be subject to any Inadequate Cover Provision.

In respect of Property Damage and Transit only:

- i) If any such other cover is subject to any Inadequate Cover Provision, this Cover, if not already subject to any Inadequate Cover Provision shall be subject to the Provision in like manner.
- ii) If any other cover effected by or on behalf of **The Coverholder** is expressed to cover any of the Property Covered but is subject to any provision whereby it is excluded from ranking concurrently with this Cover either in whole or in part or from contributing ratably to Damage, **The Mutual's** liability shall be limited to such proportion of the Damage as the Sum Covered bears to the value of the Property

B) Applicable to Liability Cover

Other than in respect of Extension 5 (Contingent Motor Liability Page 31) to Section 2 (Public/Products Liability), if at the time of any claim there is or, but for the existence of this Cover there would be any other covers covering the same legal liability, the indemnity **will not** apply except in respect of any amount beyond that which would have been payable under such Covers had this Cover not been effected.

Where a claim includes the defence of criminal proceedings brought or in appeal against conviction **The Mutual will not** pay any costs or expenses where cover is provided by any alternative cover or where but for the existence of this Cover it would have been provided by such cover.

C) Applicable to Fidelity Cover

If a loss is covered partly under this Cover and partly under a prior Cover issued by an insurer, provided payment has been made or agreed to be made under such prior Cover, the contribution applicable under this Cover shall be reduced by the contribution actually applied under such prior Cover.

D) in respect of Officials Liability Cover

'5 Other cover shall mean in accordance with 'Officials Liability Cover' (Page 57 Section E).

6 Financial or Trade Sanctions

We will not give any cover and shall **not** be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **Us** to any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union, United Kingdom or United States of America.

7 Law Applicable

Under the laws of the United Kingdom (England, Scotland, Wales and Northern Ireland) both parties may choose the law which applies to this contract to the extent permitted by those laws.

Unless the parties agree otherwise in writing, **The Mutual** has agreed with **The Coverholder** that the law which applies to this contract is the law which applies to the part of the United Kingdom in which **The Coverholder** is based, or if based in the Channel Islands or the Isle of Man the law of whichever of those two places in which **The Coverholder** is based.

The parties have agreed that any legal proceedings between them in connection with this contract will only take place in the courts of the part of the United Kingdom in which the **Coverholder** is based, or if **The Coverholder** is based in either the Channel Islands or the Isle of Man the courts of whichever of those two places in which **The Coverholder** is based.

8 Legal Representation

You must ask us before **you** use a barrister or solicitor to represent **you** and if **we** agree **we** will tell **you** in writing

In the event of a dispute regarding the amount of legal costs incurred by the **Coverholder's** representative the **Coverholder** agrees that **The Mutual** will have the option to audit any files for the purpose of assessing the costs claimed

9 Non Payment - Consumer Credit Termination

The Mutual reserves the right to terminate the Cover in the event that there is a default in instalment payments due under any linked loan agreement or payment schedule.

10 Reasonable Precautions

- A) Applicable to the whole Cover other than Liability Cover, Money Cover - Section 2 Personal Injury (Robbery), Personal Accident Cover, and Officials Liability Cover

The Coverholder at his own expense shall:

take all reasonable precautions to prevent or diminish Damage or any occurrence or cease any activity which may give rise to liability under this Cover and to maintain all Property Covered in sound condition,

- B) Applicable to Liability Cover

The Coverholder at his own expense shall

- i) take reasonable precautions to prevent any circumstances or to cease any activity which may give rise to liability under this Cover and to maintain all buildings furnishings ways works machinery plant and vehicles in a sound condition,
- ii) as soon as reasonably possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such reasonable additional precautions to be taken as the circumstances may require.

Failure to comply with this Condition will result in a claim being rejected or settlement reduced unless **The Mutual** considers such non-compliance to be immaterial to the loss.

- C) Applicable to Money Cover - Section 2 Personal Injury (Robbery)

The Coverholder and each Covered Person **must** take all reasonable steps to prevent injury.

- D) in respect of Officials Liability Cover 'Reasonable Precautions shall mean that **The Coverholder** must act in accordance with 'Officials Liability Cover Claims conditions' (Page 56)

- E) Applicable to Personal Accident - **The Coverholder** and each covered person must take all reasonable steps to avoid or minimize any injury loss damage or expense.

11 Rights of The Mutual

Applicable only to Liability Cover

No admission, offer, promise, payment or indemnity shall be made, or given, by or on behalf of The Coverholder without the written consent of The Mutual; which shall be entitled to take over the absolute control of and conduct in the name of The Coverholder the negotiation, proceeding, defence or settlement of any claim or to prosecute any claim in the name of The Coverholder for its own benefit, and shall have full discretion in the conduct of any proceeding and in the settlement of any claim.

12 Rights of Recovery

(not applicable to Officials Liability Cover)

Any claimant under this Cover shall, at the request and expense of **The Mutual**, take and permit to be taken all necessary steps for enforcing rights against any other party in the name of **The Coverholder** before or after any payment is made by **The Mutual**.

The Mutual shall **not** enforce any rights against any company being parent of or subsidiary to **The Coverholder** or any company which is a subsidiary of a parent company of which **The Coverholder** is itself a subsidiary in each case as defined by the Companies Act 1985 or the Companies (Northern Ireland) Order 1986.

13 The Mutual's Liability

For all purposes, including but not limited to the application of the Sums Covered, Limits, Limits of Liability or Limits of Indemnity and consideration of when and how the Cover will respond, all parties included in the definition of **The Coverholder** in the Schedule, shall constitute one **Coverholder**, or one party or legal entity, so that there will be only two parties to the contract of Cover between **The Coverholder** and **The Mutual**.

14 Third Party Contract Rights

No person other than **The Coverholder** or **The Mutual** may enforce the terms of this Cover and the provisions of the Contract (Right of Third Parties) Act 1999 do not apply.

15 Other Interests

Applicable only to Personal Accident Cover

The Coverholder's receipt shall discharge **The Mutual's** liability to pay any amount in respect of a claim. The Covered Person or the Covered Person's personal representatives shall have no right to claim from or sue **The Mutual**. If **The Coverholder** compromises more than one party having an interest in the Covered Person or the property Covered the settlement made by **The Mutual** shall represent the total amount payable in respect of that Covered Person or property for all interests covered by this Cover

Cover Exclusions

(Exclusions not applicable to the whole Cover are shown in the individual Cover section.)

The Mutual shall **not** be liable for:

1 Radioactive Contamination

Damage and any loss or expense or liability resulting or arising of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

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

2 Coronavirus

Notwithstanding any other provision, no cover is provided for:

Any loss (including loss of rental income, loss of value and loss of use), damage, claim, cost or expense of whatsoever nature, directly or indirectly caused by or in any way contributed to by, resulting from, arising out of, or in connection with coronavirus disease (COVID-19), severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), or any mutation or variation thereof.

This exclusion also applies to any claim, loss, cost or expense of whatever nature directly or indirectly arising out of, contributed to by or resulting from:

- A) any fear or threat (whether actual or perceived) of;

or
- B) any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of; coronavirus disease (COVID-19), severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), or any mutation or variation thereof.

This Exclusion **does not** apply to Public Liability, Property Owners Liability, and/or Employers' Liability.

3 War and Allied Risks

(except Liability Cover Section 1 – Employers' Liability)

Damage and any loss, expense or liability caused directly or indirectly by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.

Cover Definitions

The following words or expressions shall have the meanings set out below, unless a more specific Definition applies in the individual Cover section.

Contribution

The monetary amount paid or payable by **The Coverholder** for coverage under the Cover.

Cover

The terms and conditions of the contract including the Cover wording, Schedule, Endorsements, Clauses and Certificates.

Covers

The active efficient causes of Damage including excluded causes.

Covered

municipal member, official, partner, Member, departmental director or senior manager of the **Coverholder**

Coverholder

The legal entity Covered by the Cover as named on **Your** schedule

Coverholder Excess

The first monetary amount of any claim borne by the **Coverholder** after the application of all other terms and conditions as described in the relevant Cover section.

Damage

Accidental loss destruction or damage.

Damaged

Accidentally lost destroyed or damaged.

Data

Information represented or stored electronically including but not limited to code or series of instructions, operating systems, software, programs and firmware.

Event

One occurrence or all occurrences of a series consequent on or attributable to one source or original cause.

Failure of a System

The complete failure or partial failure or inability whether in terms of availability functionality including performance or otherwise of a System whether or not owned by **The Coverholder** to operate at any time as desired, as specified or as required in the circumstances of **The Coverholder's** business activities.

Interest

Where loss, damage or injury would cause financial loss to **The Coverholder**.

Intruder Alarm

Intruder alarm including all lines and equipment used to transmit the signals to and from the Premises.

Limit of Indemnity

The amount stated in the Cover and/or Schedule as being the total amount payable by **The Mutual** in respect of any one Event

Microchip

A unit of packaged computer circuitry manufactured in small scale and made for program logic including computer memory purposes and expressly includes integrated circuits and microcontrollers.

Municipality

The Business Description of **The Coverholder** as stated in the Schedule.

Municipal Premises

That part of the Premises occupied by **The Coverholder** for the purpose described in the Schedule.

Mutual

The Military Mutual Limited.

Period of Cover

The period of time that the Cover is in force as shown in the Schedule.

Premises

The premises owned, occupied, leased or rented by **The Coverholder** as stated in the Schedule.

Property

The material assets owned by **The Coverholder** or those material assets for which they are legally responsible.

Schedule

The statement of details specific to **The Coverholder** forming part of the Cover.

System

Computers, other computing and electronic equipment linked to a computer, hardware, electronic data processing equipment, Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation.

Unoccupied

When for 45 days in a row or more, the property or part of the property

- is not physically used or accessed for **Your** business
- is empty or waiting to be demolished, refurbished, renovated or redeveloped

Virus

Programming code or series of instructions designed to achieve an unexpected, unauthorised, undesirable effect or operation when loaded onto a System, transmitted from one System to another by transfer between computer systems via networks, extranets, internets or electronic mail or attachments thereto or via floppy diskettes or CDROMs or otherwise and whether involving self-replication or not.

Working Hours

The period during which the Premises are actually occupied for the purposes of the Business.

Property Damage and Business Interruption Cover

THIS DOES NOT APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE.

If any of the Property Covered described in the Schedule suffers Damage at the Premises by any of the Covers Covered, **The Mutual** will in accordance with the provisions of the Cover pay to **The Coverholder**:

- 1 in respect of Property Damage Cover, the amount of loss or at its option reinstate, repair or replace such Property,
- 2 in respect of Business Interruption Cover, the amount of loss resulting from the interruption or interference with **The Coverholder's** Business at the Premises caused by the Damage,
provided that:
 - A) **The Mutual's** liability in any one Period of Cover shall **not** exceed in the whole the total Sum Covered or in respect of any item its Sum Covered or any other stated limit of liability.
 - B) in respect of Business Interruption Cover, payment has been made or liability admitted for the Damage under a Cover covering the Interest of **The Coverholder** in the Property, or payment would have been made or liability admitted for the Damage but for the operation of a proviso in such **excluding** liability for losses below a specified amount.

Property Damage and Business Interruption Covers

The following are the Covers Covered unless stated as Covers not Covered in the Schedule.

Covers

- 1 **A) Fire** (including smoke) **excluding** Damage:
 - i) by explosion resulting from fire,
 - ii) to Property caused by its undergoing any process involving the application of heat.
- B) **Explosion excluding** Damage caused by the bursting of any boiler, economiser or other vessel, machine or apparatus belonging to or under the control of **The Coverholder** in which internal pressure is due to steam only, but this shall **not** exclude:
 - i) in respect of Property Damage Cover, Damage caused by explosion of any boiler or gas used for domestic purposes only,
 - ii) in respect of Business Interruption Cover, explosion of any boiler used for domestic purposes only or of any other boiler or economiser on the Premises or of gas used for domestic purposes only.
- C) **Lightning.**
- D) **Aircraft or other aerial devices or articles dropped therefrom.**
- 2 **Earthquake excluding** Damage caused by fire.
- 3 **Riot** and malicious persons, riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons **excluding** Damage:
 - A) arising from nationalisation, confiscation, requisition or destruction by order of the government or any public authority,
 - B) arising from cessation of work,
 - C) i) in the course of theft or attempted theft,
ii) in respect of any Building which is unoccupied,

directly caused by malicious persons not acting on behalf of or in connection with any political organisation.
- 4 **Storm or flood**
excluding Damage:
 - A) attributable solely to change in the water table level,
 - B) caused by frost, subsidence, ground heave or landslip,
 - C) to fences, gates and moveable property in the open.
- 5 **Escape of water** or oil from any tank, apparatus or pipe
excluding Damage:
 - A) by water discharged or leaking from an automatic sprinkler installation,
 - B) in respect of any Building which is empty or not in use.
- 6 **Impact** by any road vehicle (including any fork lift truck or other industrial vehicle) or animal.
- 7 **Sprinkler Leakage**
The accidental escape of water from any automatic sprinkler installation **excluding** Damage:
 - A) by freezing in any Building which is empty or not in use,
 - B) by heat caused by fire.
- 8 **Theft** (which shall be deemed to include attempted theft)
excluding Damage:
 - A) which **does not** involve
 - i) entry to or exit from that part of the Building by forcible and violent means

or
 - ii) actual or threatened assault or violence.
 - B) to moveable property in the open
 - C) to property in transit,
 - D) to Money and securities of any description.
- 9 **Subsidence, ground heave or landslip**
excluding Damage:
 - A) arising from the settlement or movement of made-up ground or by coastal or river erosion,
 - B) occurring as a result of the construction, demolition, structural alteration or structural repair of any Property at the Premises,
 - C) arising from normal settlement or bedding down of new structures,

- D) to yards, car parks, roads, pavements, forecourts, paved areas, walls, gates or fences unless a Building Covered under this Cover is also affected,
- E) commencing prior to the granting of cover under this Cover.

10 Any other accident excluding Damage:

- A) by any of:
- i) the Covers,
- ii) the causes expressly excluded from the Covers specified in Covers 1–9 (whether or not Covered).
- B) to any Property caused by:
- i) its own faulty or defective design or materials,
- ii) inherent vice, latent defect, gradual deterioration, wear and tear,
- iii) faulty or defective workmanship, operational error or omission on the part of **The Coverholder** or any of their Employees,

but this shall **not** exclude subsequent Damage which itself results from a cause not otherwise excluded.

- C) caused by:
- i) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects,
- ii) change in temperature, colour, flavour, texture or finish,
- iii) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super- heaters, pressure vessels or any connected range of steam and feed piping,
- iv) mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which the breakdown or derangement originates,
- v) caused by or consisting of the freezing, solidification or inadvertent escape of molten metal,

but this shall **not** exclude:

- i) such Damage which itself results from other Damage and is not otherwise excluded,
- ii) subsequent Damage which itself results from a cause not otherwise excluded.

- D) caused by:
- i) acts of fraud or dishonesty,
- ii) disappearance, unexplained or inventory shortage, misfiling or misplacing of information,
- iii) in respect of Business Interruption Cover, erasure or distortion of information on computer systems or other records:
- whilst mounted in or on any machine or data, processing apparatus or
 - due to the presence of magnetic flux
- unless caused by Damage to the machine or apparatus in which the records are mounted.

- E) to:
- i) a Building caused by its own collapse or cracking,
- ii) moveable Property in the open, fences and gates by wind, rain, hail, sleet, snow, flood or dust,
- iii) Property resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.
- F) to:
- i) Property in transit,
- ii) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft and aircraft,
- iii) land, piers, jetties, bridges, culverts and excavations,
- iv) livestock, growing crops and trees,
- v) Property or structures in course of construction or erection and materials or supplies in connection with all such Property in course of construction or erection,
- vi) overhead transmission lines.

11 Glass

Damage resulting from Accidental Breakage of Glass if Buildings not Covered by **The Coverholder**.

12 Specified Items: 'All Risks'

- A) Damage by any cause **excluding** Damage caused by:
- i) wear and tear, moth, vermin, atmospheric or climatic conditions or any gradually operating cause,
- ii) alterations, maintenance, repairs or any process of cleaning or restoring,
- iii) delay, confiscation or detention by order of any Government or Public Authority,
- iv) counterfeit, substitute or foreign coins,
- v) mechanical or electrical breakdown or derangement.
- B) **Damage excluding:**
- i) breakage of electrical valves, bulbs or tubes unless forming part of the Property and fixed therein and happening as the result of Damage to such Property,
- ii) the contents of machines unless such contents are shown in the Schedule,
- iii) depreciation, contamination or any other loss that arises directly or indirectly other than Damage to the Property Covered itself,
- iv) Damage consequent upon any person obtaining any Property by deception.

*If following any one loss for Damage to multiple items of property Covered on a Specified items: "All Risks" basis the maximum **Coverholder's Excess** deducted shall be the highest **Coverholder's Excess** applicable to any single specified items which has suffered damage.*

Property Damage - The Cover Provided

In respect of Buildings and General Contents

(other than motor vehicles or officials, municipal members and employees' personal effects).

The Mutual will pay:

- A 1) the cost of reinstatement being where the Property is:
- i) destroyed the cost of rebuilding or in the case of General Contents the cost of its replacement by similar property (including the cost of re-erection, fitting and fixing),
 - ii) Damaged the cost of repairing or restoring the damaged portions
- to a condition substantially the same as but not better or more extensive than its condition when new.
- or
- A 2) the Alternative Basis of Settlement being the value of the Property at the time of its destruction.
- The Alternative Basis of Settlement will apply:
- i) until the cost of reinstatement has actually been incurred,
 - ii) if the work of reinstatement is not carried out as quickly as is reasonably practicable,
 - iii) if at the time of its Damage the Property is covered by any other cover effected by or on behalf of **The Coverholder** and such other cover is not on the identical basis of reinstatement defined in cost A1,
 - iv) if in the Schedule it is stated that the Alternative Basis of Settlement applies.

plus in respect of A1 or A2 the cost of:

- B complying with Public Authorities' requirements, being such additional cost of reinstatement of the Property as may be incurred with **The Mutual's** consent in complying with Building Regulations or local authority or other statutory requirements first imposed upon **The Coverholder** following the Damage provided that the reinstatement is completed within twelve months of the occurrence of the Damage or within such further time as **The Mutual** may in writing allow and may be carried out upon another site (should the stipulations require).

The Mutual shall **not** be liable for requirements relating to: any rate; tax; duty; development or other charge or assessment, which may arise out of capital appreciation as a result of complying with any of the legislation, regulations or requirements referred to.

Cover is extended to include the additional cost of reinstatement in respect of undamaged portions, other than foundations, subject to a Limit of Liability of 15% of the total amount **The Mutual** would have been liable for had the building been totally destroyed. Provided that **The Mutual will not** be liable for such additional cost in respect of other Buildings Contents which have not sustained Damage,

- C removing debris being the cost incurred with **The Mutual's** consent in removing debris, dismantling, demolishing, shoring up and propping portions of the Property but **excluding** any costs or expenses:

- i) incurred in removing debris except from the site of such property damaged and the area immediately adjacent to such site,
 - ii) arising from pollution or contamination of property not Covered by this Cover.
- D professional fees being those necessarily incurred in the reinstatement of the Property but not for preparing any claims.

Inadequate Cover in respect of Buildings and Contents

If at the time of the damage the sums covered for the relative item on Buildings or General contents cover is less than 85% of its value, then the **Coverholder** shall be deemed to be providing his own cover for the difference between the sum covered and the full value. As such the amount payable shall be proportionately reduced

In respect of documents, manuscripts and business books

The Mutual will pay:

- 1 the value of the materials as stationery,
- 2 the clerical labour expended in reproducing or writing up such documents,
- 3 the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded,

but **excluding** the value to **The Coverholder** of the information and subject to **The Mutual's** liability not exceeding the limit stated in the definition of General Contents.

In respect of stock and other Covered Property not specifically provided for **The Mutual** will pay:

the value of the Property at the time of its destruction or the amount of the Damage including the cost of removing debris as defined in cost C.

The undernoted provisions apply:

- 1 **Contract Price**
In respect only of goods sold but not delivered, for which **The Coverholder** is responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of any Damage Covered under this Cover either wholly or to the extent of the Damage **The Mutual's** liability shall be based on the contract price.
- 2 **Inadequate cover in respect of Stock**
If at the time of Damage the Sum Covered is less than the total Coverable Amount the amount otherwise payable shall be proportionately reduced.

Coverable Amount shall mean the Contract Price of or the value at the time of Damage to all other Property.

In respect of Rent of Buildings which suffer Damage The Mutual will pay:

- 1 **if the loss relates to rent receivable by The Coverholder:**
 - A) the amount by which the rent receivable by **The Coverholder** during the period stated in the Schedule shall in consequence of the Damage fall short of the rent which would have been received during the period had the Damage not occurred,
 - B) the additional expenditure necessarily and reasonably incurred, for the sole purpose of avoiding or diminishing the shortfall in rent, which but for that expenditure would have taken place during the period stated in the Schedule in consequence of the Damage but not exceeding the total of:
 - the amount of the loss of rent thereby avoided plus
 - 5% of the Sum Covered by the item (but not more than £250,000),

less any savings in respect of expenditure payable out of rent receivable which reduces or ceases in consequence of the Damage.

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

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

- 2 **if the loss relates to rent payable by The Coverholder:**

the amount of rent which continues to be payable by **The Coverholder** in respect of the Building or portions of the Building whilst unfit for occupation in consequence of the Damage for a period not exceeding the number of months stated in the item description in the Schedule.

Inadequate Cover in respect of Rent
 If at the time of Damage, the Sum Covered is less than the Insurable Amount the amount otherwise payable shall be proportionately reduced.

Insurable Amount shall mean the annual rent receivable (or in the case of B the annual rent payable) at the commencement of the Period of Cover, such amount to be proportionately increased to correspond with the period of rent Covered where that period exceeds twelve months.

Conditions

- 1 **Statutory Regulation**
 Any pressure vessel or other machinery or apparatus belonging to or under the control of **The Coverholder** which requires inspection or test under any statute or order or regulation shall be so inspected or tested and **The Coverholder** shall implement any actions thereby required.

Business Interruption - The Cover Provided

Item on Gross Profit
 (unless shown as Not Covered in the Schedule)

Subject to the special provisions below **The Mutual** will pay as indemnity:

- 1 **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 falls short of the Standard Turnover in consequence of the Damage.

In respect of Increase in Cost of Working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage

but not exceeding the total of:

- the sum produced by applying the Rate of Gross Profit/Revenue to the amount of the reduction thereby avoided
- plus
- 5% of the Sum Covered by the item (but not more than £250,000)

Item on Gross Revenue

(unless shown as Not Insured in the Schedule)

Subject to the special provisions below **The Mutual** will pay as indemnity:

- 1 **In respect of Loss of Gross Revenue**
 the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Damage .

- 2 **In respect of Increase in Cost of Working**
 the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage.

but not exceeding the total of:

- the amount of the reduction in Gross Revenue thereby avoided
- plus
- 5% of the Sum Insured by the item (but not more than (£250,000) .

Additional Increased Cost of Working

(unless shown as Not Covered in the Schedule)

Means the Cover under this item is limited to Additional Increased Cost of Working and the amount payable as Indemnity shall be additional expenditure incurred as **We** agree may be necessarily and reasonably incurred in order to minimise any interruption or interference with **Your** Business during the Indemnity Period in consequence of the Incident beyond that recoverable as Increased Cost of Working provided for elsewhere in this Section

Special Provisions

1 Alternative Trading

If during the Indemnity Period goods are sold or services rendered other than at the Premises, for the benefit of the Business, either by **The Coverholder** or by others on **The Coverholder's** behalf, the money paid or payable in respect of such sales or services shall be taken into account in arriving at the:

- A) Turnover (for Item on Gross Profit) or
- B) Gross Revenue

during the Indemnity Period.

2 Savings

If any of the charges or expenses of the Business payable out of Gross Profit or Gross Revenue cease or reduce in consequence of the Damage the amount of such savings during the Indemnity Period shall be deducted from the amount payable.

3 Professional Accountants' Charges

The Mutual will pay the reasonable charges payable by **The Coverholder** to their professional accountants for producing information required by **The Mutual** under the terms of the Claims Conditions and for reporting that such information is in accordance with **The Coverholder's** accounts.

4 Accumulated Stocks

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

5 Payments on Account

Payments on account may be made during the Indemnity Period if desired.

6 Renewal Clause

It is a requirement of the Cover that prior to each renewal **The Coverholder** shall provide **The Mutual** with the Estimated Gross Profit or Estimated Gross Revenue for the financial year most nearly concurrent with the ensuing Period of Cover.

Extensions

This Cover section extends to include Damage and the amount of loss resulting from interruption or interference to **The Coverholder's** Business caused by the Damage in respect of the following additional Property, Premises and costs.

The Mutual's liability in respect of each and every extension shall **not** exceed the corresponding limit shown in the Schedule or as stated below.

1 Additional Metered Utility Charges

Any additional metered utility charges that are incurred by **The Coverholder**, solely as a result of Damage Covered by this Cover, except for those in respect of any loss which has not been discovered and remedial action has been taken within 30 days of the Damage occurring.

The amount payable by **The Mutual** shall be determined by comparing charges made by the suppliers on **The Coverholder's** account during the period in which the loss occurred, with the normal charge (as may be adjusted to take into account any relevant factors affecting **The Coverholder's** liability for metered charges during such period). The Limit of Liability being £25,000.

2 Automatic Reinstatement after a Loss

In the absence of written notice by **The Coverholder** or **The Mutual** to the contrary, within 30 days of the occurrence of any Damage, **The Mutual's** liability shall **not** be reduced by the amount of any loss and **The Coverholder** shall pay the appropriate additional contribution for such automatic reinstatement of cover.

3 Branded Goods

In the event of Damage to branded or labelled goods or merchandise, any salvage **will not** be disposed of by sale, without the consent of **The Coverholder**. If such salvage is not disposed of by sale then the Damage shall be assessed at the value agreed between **The Coverholder** and **The Mutual** and be taken into consideration in the settlement of the claim.

4 Buildings and General Contents – Alterations and Additions

If, during the Period of Cover, alterations or additions are made to any Buildings Covered or Buildings or General Contents are acquired or constructed, at any Premises, covered by this Cover, or elsewhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man and such additional Property is not otherwise Covered, it will be held covered under the relative items of this Cover, from the time **The Coverholder** became responsible for it until the next renewal of the Cover, when specific Cover shall be effected.

The Sum Covered (and Declared Value) by each item shall be deemed to be increased for that period only, by the value of the additional Property Covered, under the item, but by no more than 10% and subject to **The Mutual's** liability not exceeding £1,000,000 in respect of additional Property at any one Premises.

5 Claims Preparation Costs

The exceptional costs, not otherwise covered, necessarily and reasonably incurred by **The Coverholder** with the prior consent of **The Mutual**, in producing and certifying any particulars or details required by **The Mutual** in respect of a claim, in accordance with the Claims Conditions admitted under this Cover.

These costs shall **not** include the costs of negotiation with **The Mutual** or its representatives.

The Mutual shall **not** be liable for more than the percentage amount in respect of any one settlement stated below or the Limit of Liability, whichever is the lower amount.

| Total Loss Settlement | Percentage of Loss Settlement |
|---|-------------------------------|
| Amounts up to -£100,000 | 2% |
| Amounts between £100,000 and £2,000,000 | 1.5% |
| Amounts above £2,000,000 | 1.0% |

Limit of Liability £25,000.

6 Clearance of Drains

The costs necessarily incurred in cleaning and repairing drains, gutters and sewers for which **The Coverholder** is responsible in consequence of Damage to the Property. The Limit of Liability being £25,000.

7 Fire Extinguishment, Accidental Gas Discharge and Alarm Resetting Expenses

Any reasonable costs incurred by **The Coverholder**:

- A) in refilling fire extinguishing appliances and replacing used sprinkler heads,
- B) in recharging gas flooding systems installed for the protection of the Property Covered,
- C) in resetting fire and intruder alarms,
- D) of fire brigade charges,

all solely in consequence of Covered Damage to the Property Covered or in respect of B) arising out of the accidental discharge thereof. The Limit of Liability being £25,000.

8 Inadvertent Errors and Omissions

The Coverholder, having notified **The Mutual** of their intention to insure all Property within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, in which they are interested and it being their belief that all such Property is Covered, if subsequently any such Property shall be found to have been inadvertently omitted or there has been an accidental or inadvertent error by **The Coverholder** within the Sums Covered declared, **The Mutual** will deem such Property to be Covered appropriately within the terms of this Cover, provided that **The Coverholder** shall notify **The Mutual** as soon as any inadvertent error or omission comes to their knowledge in order to effect the appropriate additional Cover retrospective to the date during the Period of Cover when Cover for the property became necessary or the incorrect sum Covered was declared and to pay the appropriate additional contribution. The Limit of Liability being £500,000.

9 Involuntary Betterment

The costs described below in the event that Property Covered suffers Damage to the extent that it cannot be economically repaired and replacement property of like kind and quality is not obtainable:

- A) New Property that is as similar as possible to that suffering Damage and that is capable of performing the same function shall be deemed to be new Property of like kind and quality and in no event shall this be considered as a betterment to **The Coverholder**.
- B) **The Mutual** will also pay the cost of purchasing and installing technologically current equipment, which is necessitated by incompatibility between new equipment installed to replace equipment suffering Damage and undamaged existing equipment at the same or an interdependent location.

Provided that **The Mutual** shall:

- 1) be liable only for the amount sufficient to enable **The Coverholder** to resume operations in substantially the same manner as before the Damage,
- 2) be liable only for the difference between the highest sales value of the undamaged existing equipment at the same or interdependent location and the installed cost of the technologically current equipment. The Limit of Liability being £50,000.

10 Landscaped Grounds

The reasonable costs incurred by **The Coverholder** in consequence of Damage to Property Covered at the Premises in restoring landscaped grounds (including trees, plants and turf forming part thereof) to their original appearance when first laid out and planted, but **excluding** any cost arising from the failure of trees, plants and turf to germinate or become established.

The Limit of Liability being £25,000.

11 Loss Reduction Expenses and Temporary Repairs

The costs and expenses reasonably incurred by **The Coverholder** in:

- A) preventing or reducing losses in the event of imminent Damage which would have been Covered under this Cover,
- B) reducing losses as a result of Damage Covered under this Cover,
- C) undertaking temporary repairs upon or expediting the permanent repair or replacement of Property Covered that has suffered Damage.

Provided that in respect of A) and B):

- i) the impending Damage was not reasonably foreseeable earlier and would be the natural outcome if such costs and expenses were not incurred,
- ii) the costs and expenses incurred did avoid or mitigate the Damage,
- iii) **The Mutual's** liability shall **not** exceed the amount of Damage thereby avoided.

The Limit of Liability being £25,000.

12 Mitigation of Environmental Impact

Any reasonable costs incurred by **The Coverholder**, if in consequence of Damage, **The Coverholder** elects (with the prior agreement of **The Mutual**) to reinstate Buildings and/or General Contents in a manner that aims to reduce the impact on the environment but which increases the cost of reinstatement, then this Cover extends to include the reasonable additional costs incurred by **The Coverholder** for such purposes and this shall **not** be considered as betterment to **The Coverholder**.

Provided that:

- A) such reasonable additional costs shall include but not be limited to costs incurred in:
 - i) using sustainable construction materials,
 - ii) modifying design or materials in order to reduce carbon emissions or atmospheric pollution or to improve energy efficiencies.
- B) this Extension includes the reasonable additional cost of reinstatement in respect of undamaged portions of Property provided that **The Mutual** shall **not** be liable for such additional cost in respect of any Building or item of contents that has not sustained Damage,
- C) such costs shall exclude those associated with removing debris,

D) **The Mutual** shall **not** be liable for:

- i) such additional costs for work already planned by **The Coverholder** prior to the Damage,
- ii) more than the Limit of Liability. The Limit of Liability being £50,000 or 5% of the total loss, whichever is the lesser amount.

13 Mortgagees and Lessors

Any increase in the risk of Damage resulting from any act or neglect of any mortgagor, lessee or occupier of any Buildings Covered by this Cover **will not** prejudice the interest of any mortgagee, lessor or freeholder provided such increase in risk is without knowledge or authority and **The Mutual** is notified immediately they become aware of such increase in risk and pay an additional contribution if required.

14 Motor Vehicles

Stationary motor vehicles licensed for road use owned or leased by **The Coverholder** whilst situated at the Premises, but only to the extent that they are not otherwise Covered. The Limit of Liability being £50,000.

15 Non-invalidation

The Cover shall **not** be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased, unknown to or beyond the control of **The Coverholder**, provided that immediately they become aware thereof they shall give notice to **The Mutual** and pay an additional contribution if required

16 Other Interests

It is agreed that the various parties may have a legal interest in part of the Property Covered by this Cover and **The Coverholder** undertakes to declare the names, nature and extent of any interest of any such parties at the time of Damage.

17 Property at Other Locations

Property Covered whilst removed from the Premises as indicated below except that:

- A) this extension applies only in so far as the Property is not otherwise Covered,
- B) this extension applies only to Damage occurring within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,
- C) **The Mutual's** liability for any one loss shall **not** exceed the Limit of Liability stated below;

Limit of Liability for any one loss:

- i) Documents, manuscripts and business books at any location and whilst in transit – the limit stated in the General Contents definition
- ii) Stock (**excluding** goods held in trust) at any location used by **The Coverholder** for storage – 10% of the relative Sum Covered but in no case exceeding £250,000.
- iii) Other Property (**excluding** vehicles licensed for road use) at any location to which the Property has been temporarily removed for cleaning, renovation, repair or other similar purposes – 10% of the relative Sum Covered but in no case exceeding £250,000.

18 Property Temporarily Removed

Any Premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man not occupied by **The Coverholder** but used by **The Coverholder**:

- A) to store records, or
- B) for the cleaning, renovation, repair or other similar purposes of machinery and plant (but not motor vehicles) whilst temporarily removed from the Premises and in transit by road, rail, air or inland waterway to and from the Premises all in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man. The Limit of Liability being £250,000.

19 Reinstatement

The work of reinstatement may be carried out at another site and in any manner suitable to the requirements of the **Coverholder** provided that it **does not** increase **The Mutual's** liability.

The Mutual may reinstate or replace any Property Damaged without being bound to reinstate exactly or completely but only as circumstances permit and without detriment to **The Coverholder**. **The Coverholder** shall, at their expense, provide **The Mutual** with all such plans, documents, books and information as **The Mutual** may reasonably require.

20 Salvage Sales

If, following Damage giving rise to a claim under this Cover, **The Coverholder** holds a salvage sale during the Indemnity Period, clause 1 (Page 16) of the Cover provided in respect of any Business Interruption item shall read as follows:

- A) In respect of Reduction in Turnover

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) falls short of the Standard Turnover in consequence of the Damage from which the amount shall be deducted the Gross Profit actually earned during the period of the salvage sale.

21 Sprinkler Upgrading Costs

The additional costs incurred by **The Coverholder** in upgrading any existing automatic sprinkler installation to conform to the current Loss Prevention Council (LPC) rules solely as imposed upon **The Coverholder** by **The Mutual** following Covered Damage.

Provided that at the time of Damage the sprinkler installation conformed to the LPC rules current at the time of installation but did not conform to subsequent amendments to those rules. The Limit of Liability being £100,000.

22 Theft cover Extension

Any cover granted under this Cover in respect of Theft includes:

- A) the cost of repairing Damage to the Buildings (whether or not the Buildings are Covered by this Cover) if **The Coverholder** is responsible for the repairs and the Damage is not otherwise Covered,
- B) the reasonable expenses (not exceeding £5,000) incurred in necessarily replacing locks to the Buildings or safes or strongrooms therein consequent upon the Theft (as Covered) of keys from such building or from the residence of any of the authorised keyholding officials, municipal members or employees of **The Coverholder**.

23 Trace and Access

The costs necessarily and reasonably incurred by **The Coverholder**, in the event of Damage, resulting from escape of water or oil as covered by the Cover in locating the cause of such Damage and subsequently making good. The Limit of Liability being £25,000.

24 Transfer of Interest

If at the time of any Covered Damage to any building Covered, **The Coverholder** shall have contracted to sell their interest in the building and the purchase is subsequently completed, the purchaser shall be entitled on completion of the purchase, to the benefit of this Cover in respect of such Damage, if and so far as the property is not otherwise Covered by the purchaser, or on the purchaser's behalf, against such Damage without prejudice to the rights and liabilities of **The Coverholder** or **The Mutual** under this Cover up to the date of completion.

25 Unauthorised Use of Water, Gas, Electricity and Oil

The costs of metered water, gas, electricity and oil for which **The Coverholder** is legally responsible arising from its unauthorised use by persons taking possession of or occupying the Premises without the consent of **The Coverholder**. The Limit of Liability being £25,000.

26 Undamaged Stock

The Cover in respect of Stock extends to include undamaged Stock that deteriorates, is condemned or otherwise becomes unusable resulting solely from Damage as Covered to other Property Covered. The Limit of Liability being £25,000.

27 Workmen

Workmen are allowed in and about the Premises for the purpose of carrying out minor alterations, repairs, decoration and general maintenance and the like without prejudice to the terms of the Cover.

28 Prevention of Access

If **you** cannot access or use **Your** premises because of damage to a property within 1 Mile of **Your** premises. **we** shall **not** be liable under this Extension for more than the limit stated below in respect of any one loss Limit: £25,000 Subject otherwise to the terms Exclusions and Conditions of this Cover

29 Failure of Supply (including telecommunications) - Extension

This clause applies to the Business Interruption Cover section of this Cover

The Cover is extended to cover interruption of or interference with **The Coverholder's** Business as Covered resulting from the accidental failure of supply of:

- A) electricity at the terminal ends of the service provider's feeders at the Premises
- B) gas at the service provider's meters at the Premises
- C) water at the service provider's main stop cock serving the Premises (other than by drought)
- D) telecommunications services (**excluding** the provision of extranets or access to or presence on the internet or access to applications and related services over the internet) at

the incoming line terminals or receivers at the Premises but **excluding** satellites not occasioned by the deliberate act of any service provider nor by the exercise by any such provider of its power to withhold or restrict supply or provision of telecommunications services

Special Conditions

For the purpose of this Extension only

- 1) the Maximum Indemnity Period shall **not** exceed 3 months in respect of telecommunications services
- 2) the Indemnity Period shall commence 24 hours after the commencement of the failure of supply including telecommunications services and not as stated in the Cover provided except as expressly varied hereby Provided that **The Mutual** shall **not** be liable under this Extension for more than the limit stated below in respect of any one loss

Limit: £25,000 in respect of telecommunications services Limit: £25,000 in respect of electricity gas or water supply Subject otherwise to the terms Exclusions and Conditions of this Cover

30 Infectious Diseases

The cover in this Section extends to include interruption of or interference with **Your** Business in consequence of closure of the Premises or part thereof on the order or stipulation of any government or local authority as a result of:

- 1) any Disease manifested by any person whilst at the Premises (but **excluding** any Disease manifested by any Person whilst at the Premises which at the time of its manifestation is Pandemic or Epidemic)
- 2) murder or suicide occurring at the Premises
- 3) injury or illness sustained by any visitor arising from or traceable to foreign or injurious matter in food or drink provided on the Premises
- 4) defects in the drains or other sanitary arrangements at the Premises or the Premises becoming infested with vermin or Pests

1-4) are stated in the Schedule as Infectious Diseases. **Our** maximum liability under this Extension shall **not** exceed the Sums Insured as stated in the Schedule in respect of any one occurrence or in the aggregate within any one Period of Cover

For the purpose of this Extension Indemnity Period means the period during which the results of **Your** Business are affected in consequence of the outbreak or Event beginning with the date when the closure of the Premises or part thereof on the order

or

stipulation of any government or local authority is imposed and ending not later than 3 months after or in respect of 1) above at the time when the Disease is Pandemic or Epidemic whichever is the soonest. **We will not** indemnify **You** under this Extension for any interruption of or interference with **Your** Business which exceeds 3 months in the aggregate within any one Period of cover

We will not indemnify **You** for any amount which is recoverable from any government initiative scheme or payment from which **You** are entitled to benefit from

For the purposes of this Extension:

Pandemic means a widespread outbreak of a human infectious disease resulting from the human-to-human spread of a virus which causes disease within humans which occurs within at least three countries on two different continents or such an outbreak which has been declared a pandemic by either the World Health Organization or the government of the United Kingdom

Epidemic means the occurrence in a community or region of cases of an illness, specific health-related behaviour, or other health-related events clearly in excess of normal expectancy. The community or region and the period in which the cases occur are specified precisely or such an outbreak which has been declared an Epidemic by either the World Health Organization or the government of the United Kingdom

The Mutual shall **not** be liable for more than the limit stated below in respect of any one loss

Limit £25,000

Subject otherwise to the terms Exclusions and Conditions of this Cover

31 Unspecified Suppliers and Storage Sites - Extension

This clause applies to the Business Interruption Cover section of this Cover

The Cover is extended to cover the property at

- A) the premises of any of **The Coverholder's** suppliers manufacturers or processors of components goods or materials but **excluding** the premises of any supply undertaking from which **The Coverholder** obtains electricity gas or water
- B) premises not in the occupation of **The Coverholder** where property of **The Coverholder** is stored all in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Provided that **The Mutual** shall **not** be liable under this Extension for more than the limit stated below in respect of any one loss

Limit: £25,000

Subject otherwise to the terms Exclusions and Conditions of this Cover

32 Denial of Access (Non-Damage) - Extension

This clause applies to the Business Interruption Cover section of this Cover

Cover 10 Any other accident is extended to cover interruption of or interference with **The Coverholder's** Business in consequence of access to the Premises being hindered or prevented as a result of the actions or advice of a government or local authority due to an emergency arising which is likely to endanger life or property at or in the immediate vicinity of the Premises provided that there shall be no liability under this Extension for:

- 1) any loss as Covered involving an interruption of less than 12 Hours continuous duration
- 2) any period other than the actual period of hindrance or prevention of access to the Premises
- 3) any consequence of physical Damage
- 4) any consequence of labour disputes, infectious or contagious diseases drought
- 5) any consequence arising from any cause within the control of **The Coverholder**
- 6) any action for which **The Coverholder** has been given prior notice of more than 4 hours by such Government or Local Authority
- 7) Any Disease manifested by any Person whilst at the Premises which at the time of its manifestation is Pandemic or Epidemic

Special Condition

For the purpose of this Extension only the Maximum Indemnity Period shall **not** exceed Three Months

The liability of **The Mutual** in respect of this Extension shall in no case exceed £25,000 or as otherwise specified in the Schedule whichever is the lesser amount

Subject otherwise to the terms Exclusions and Conditions of this Cover

33 Essential Personnel

This clause applies to the Business Interruption Cover section of this Cover

The Cover is extended to cover Death of any of **Your** Principals, (2) or total and permanent disablement of any of **Your** Principals, which prevents them from attending to their normal occupation, due to injury caused by accidental and violent means.

We will only pay the additional costs and/or expenses **You** necessarily and reasonably incur solely to prevent or limit a reduction in Turnover (or Revenue, or Fees as Covered by this Section,) during the Indemnity Period which but for such additional costs and/or expenses would have taken place.

Provided that **The Mutual** shall **not** be liable under this Extension for more than the limit stated below in respect of any one period of Cover

Limit: £25,000

Definitions

For the purposes of this additional contingency, the following Definition applies:

Principals

Any person who is an Partner, Trustee, Clerk, RFO or Officer of The Municipal

Subject otherwise to the terms Exclusions and Conditions of this Cover

Exclusions

Exclusions applicable to Property Damage and Business Interruption Covers

This Cover **does not** cover:

1 Intruder Alarm

Damage by Cover 8 Theft at any Premises where:

A) **The Coverholder** has knowingly and wilfully failed to maintain the Intruder Alarm protection,

or

B) all of the following apply

- i) An Intruder Alarm is a requirement of cover and is shown in the Schedule
- ii) The Premises are unattended
- iii) The maintenance and efficacy of the Intruder Alarm are **The Coverholder's** responsibility
- iv) The failure of the Intruder Alarm is a major contributor to Damage
- v) **The Mutual** has not been informed of the absence of alarm protection.

2 Electronic Risk

A) Damage to Data which shall include but shall **not** be limited to:

- i) Damage to or corruption of Data whether in whole or in part,
- ii) unauthorised appropriation of, use of, access to or modification of Data,
- iii) unauthorised transmission of Data to any third parties,
- iv) Damage arising out of any misinterpretation, use or misuse of Data,
- v) Damage arising out of any operator error in respect of Data.

B) Damage to the Property Covered arising directly or indirectly from:

- i) the transmission or impact of any Virus,
- ii) unauthorised access to a System,
- iii) interruption of or interference with electronic means of communication, used in the conduct of **The Coverholder's** Business, including but not limited to, any diminution in the performance of any website or electronic means of communication,
- iv) Failure of a System,
- v) anything described in A) above

but in respect of B)i), B)ii), B)iii) and B)iv) this shall **not** exclude subsequent Damage which itself results from any of the Covers Covered provided that such Damage **does not** arise by reason of any malicious act or omission.

3 Marine

Damage to property which at the time of the happening of the Damage is Covered by or would but for the existence of this Cover be Covered by any marine Cover or policies except in respect of any excess beyond the amount which would have been payable under the marine Cover or policies had this Cover not been effected.

4 Excess

As specified in the Schedule, being the first part of each and every loss to be borne by **The Coverholder**, at each separate Premises, as ascertained after the application of all other terms and conditions of this Cover including the Inadequate Cover provision.

Damage caused by Covers 2 (Earthquake) and 4 (Storm or Flood) occurring continuously or intermittently within any period of 72 consecutive hours shall be deemed to constitute one loss, provided that, in the event of expiry or cancellation of this Cover any such period may not end later than the termination of the Period of Cover, such period shall be deemed to have commenced on the first happening of such Damage.

5 Pollution and Contamination

Damage to any property and any loss or expense or liability resulting or arising there from caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property Covered caused by:

- A) pollution or contamination which itself results from any Cover Covered (other than Cover 10),
- B) any Cover Covered (other than Cover 10) which itself results from pollution or contamination.

6 Property Excluded

Damage to Property which is more specifically Covered, Vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft and aircraft, land, piers, jetties, bridges, culverts and excavations, livestock, growing crops and trees, Property or structures in course of construction or erection and materials or supplies in connection with all such Property in course of construction or erection or overhead transmission lines.

7 Sprinkler Protections

Damage by Cover 1A) Fire at any Premises where sprinkler protection is a requirement of cover and is shown in the Schedule if:

- A) **The Coverholder** has knowingly and wilfully failed to maintain the system,
- or
- B) All of the following apply:
 - i) The maintenance and efficacy of the system are **The Coverholder's** responsibility.
 - ii) The failure of the sprinkler protection is a major contributor to Damage.
 - iii) **The Mutual** has not been informed of the absence of sprinkler protection.

8 Terrorism

Damage occasioned by or happening through or in consequence directly or indirectly of:

- A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss,
- and
- B) in Northern Ireland civil commotion.

This Cover also excludes Damage or loss resulting from Damage directly or indirectly caused by, resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

In Great Britain and Northern Ireland Terrorism means:

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

In so far that the Cover by this Cover is extended to include any situation elsewhere than in Great Britain and Northern Ireland Terrorism means:

any act including but not limited to the use of force or violence or the threat of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political, religious, ideological or similar purposes including the intention to:

- 1) influence any government or any international governmental organisation or
- 2) put the public or any section of the public in fear.

In any action, suit or other proceedings where **The Mutual** alleges that by reason of this Exclusion any Damage or loss resulting from Damage is not covered by this Cover the burden of proving that such Damage or loss is covered shall be upon **The Coverholder**.

Definitions

Property Damage Definitions

Designation of Property

Where necessary the item heading under which any property is Covered shall be determined by the designation under which such property appears in **The Coverholder's** books.

Property Covered

Buildings, General Contents, Stock, other property or interests all as defined below at the Premises as described in the Schedule and all being the property of **The Coverholder** or for which they are responsible.

Buildings

Landlord's fixtures and fittings in and on the buildings, small outside buildings, extensions, annexes, gangways, walls, gates, fences, yards, car parks, roads, pavements, forecourts, paved areas, solar panels, wind turbines attached to the buildings, fixed signage, canopies, street furniture, building management security systems, landscaping, recreational features, foundations, glass, telephone, gas and water mains, electrical instruments, meters, piping, cabling and the accessories thereon extending from the buildings to the perimeter of the Premises or to the public mains (including those underground).

General Contents

Machinery, plant, fixtures, fittings and other trade equipment,

all office equipment and other contents,

patterns, models, moulds, plans and designs, documents, manuscripts and business books (**excluding** computer systems records) for an amount not exceeding £25,000 in respect of any one loss,

tenants' improvements,

alterations and decorations,

in so far as they are not otherwise Covered, officials, municipal members and employees' personal effects including clothing, pedal cycles, tools and instruments for an amount not exceeding £2,500 per person,

Money and securities of any description for an amount not exceeding £1,000 in total and subject to any specific exclusions in this Cover,

wines, spirits, cigarettes and tobacco held for entertainment purposes for an amount not exceeding £500 in total in respect of Damage by Theft (if Covered),

to the extent that they are not otherwise Covered motor vehicles, motor chassis and their contents.

Money

Cash, bank notes, currency notes, cheques, bankers drafts, postal orders, money orders, current postage stamps and revenue stamps, credit company sales vouchers, VAT purchase invoices, Contribution Bonds, bills of exchange, gift tokens, trading stamps, unused units in franking machines, consumer redemption vouchers and credit cards.

Stock

Stock and materials in trade, work in progress and finished goods.

Glass

Normal flat annealed glass including toughened and laminated glass unless otherwise shown in the Schedule.

Excess

The first monetary amount of any claim borne by **The Coverholder** at each separate Premises as ascertained after the application of all other terms and conditions as described in the relevant Cover section.

Business Interruption Definitions

Indemnity Period

The period beginning when the Damage occurs, ending when the results of the Business cease to be affected by the Damage, but not exceeding the Maximum Indemnity Period (as shown in the Schedule).

Turnover

The money paid or payable to **The Coverholder** for work done and services rendered in course of the Business, at the Premises.

Gross Profit

The amount by which the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock and work in progress and the amount of the Uncovered Variable Costs.

Notes:

- 1 The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with **The Coverholder's** normal accountancy methods, due provision being made for depreciation.
- 2 The Uncovered Variable Costs shall have the meaning usually attached to them in **The Coverholder's** accounts.

Uncovered Variable Costs

Those costs that vary directly with the output or the sales revenue of a company and shall mean:

- A) Purchases and related discounts,
- B) Bad debts

unless otherwise stated in the Schedule.

Gross Revenue

The money paid or payable to **The Coverholder** for work done and services rendered, in course of the Business, at the Premises.

Estimated Gross Profit or Estimated Gross Revenue

The amount declared by **The Coverholder** to **The Mutual**, as representing not less than the Gross Profit or Gross Revenue which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Cover (subject to the provision of Insurable Amount B) below).

Rate of Gross Profit

The rate which Gross Profit would have borne to Turnover, during the Indemnity Period, if the Damage had not occurred and allowing for trends of the Business or circumstances which would have affected the Business irrespective of the Damage occurring.

Standard Turnover or Standard Gross Revenue

The Turnover or Gross Revenue which would have been obtained during the Indemnity Period, if the Damage had not occurred and allowing for trends of the Business or circumstances which would have affected the Business irrespective of the Damage occurring.

Disease

means any of the following diseases sustained by any person acute encephalitis acute infectious hepatitis acute meningitis acute poliomyelitis anthrax botulism brucellosis cholera diphtheria enteric fever (typhoid or paratyphoid) food poisoning haemolytic uraemic syndrome(HUS) infectious bloody diarrhoea invasive group A streptococcal disease legionellosis leprosy malaria measles meningococcal septicaemia mumps plague rabies rubella scarlet fever smallpox tetanus tuberculosis typhus viral haemorrhagic fever (VHF) whooping cough and yellow fever

Covered Amount

The Gross Profit or Gross Revenue which would have been earned in the twelve months immediately following the date of Damage, if the Damage had not occurred and allowing for trends of the Business or circumstances which would have affected the Business irrespective of the Damage occurring.

The following notes refer to the Business Interruption Definitions stated above:

- A) To the extent that **The Coverholder** is accountable to the tax authorities for Value Added Tax all terms in this Cover shall be exclusive of such tax.
- B) In the definitions of:
 - i) Estimated Gross Profit and Insurable Amount, or
 - ii) Estimated Gross Revenue and Insurable Amount,

the amount of Gross Profit or Gross Revenue shall be proportionately increased to correspond with the Maximum Indemnity Period where it exceeds twelve months.

Money Cover

THIS COVER **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE

Section 1 – Money

The Mutual will indemnify The Coverholder up to the Limit of Liability shown in the Schedule or as stated below for any Damage to Money and property described in items 1A), 1B), 1C) and 2 below occurring during the Period of Cover.

The Cover Provided

| Item | Limit of Liability any one loss |
|--|---------------------------------|
| 1 A) Money in The Coverholder's Premises during Working Hours or in transit or in a bank night safe until at the bank's risk or at any of The Coverholder's contract sites during Working Hours. | as shown in the Schedule |
| B) Money in The Coverholder's Premises out of Working Hours: | |
| 1) in specified locked safes | as shown in the Schedule |
| 2) In Strongroom | £2,000 |
| 3) in all other locked safes | as shown in the Schedule |
| 4) not in a locked safe | £250 |
| C) Money in The Coverholder's residence or that of any of The Coverholder's officials, municipal members or employees, the Limits of Liability being: | |
| 1) while in a locked safe or while an adult is in the residence | £500 |
| 2) otherwise | £250 |
| 2 Non-negotiable Money | £250,000 |

Exclusions

The Mutual shall not be liable for:

- 1 Discovery Period
Loss by theft by any officials, and municipal members or employee of **The Coverholder** not discovered within seven working days of the occurrence,
- 2 Money lost in transit
- 3 Money Stolen while in transit unless it involves force or a violent act
- 4 Personal Money
- 5 Money sent by post
- 6 Money in coin-operated gaming devices and machines
- 7 lottery tickets, lottery winnings, scratch cards, raffle tickets, stamps that are part of a collection, promotional vouchers, air miles vouchers, credit notes and store or loyalty points
- 8 Error or Omission
Shortage due to error or omission,
- 9 Unattended Vehicle
Loss from an Unattended Vehicle,
- 10 Counterfeit Money
Loss due to the use of counterfeit Money,

- 12 **Outside the United Kingdom**
Loss or damage not within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,
- 13 **Physical Security**
Loss whenever the Covered Premises are left unattended if all locks, bolts and other protective devices are not in full and effective operation,
- 14 **Removal of Keys**
Loss whenever the Covered Premises are left unattended if all keys (including those relating to any part of the Intruder Alarm system) are not removed from the Covered Premises,

- 15 **Safe Keys and Combinations**
Loss in respect of Items 1B1) and 1B2) out of Working Hours if all keys and notes of combination lock letters and numbers of safes and strong-rooms containing Money are not removed from the Covered Premises,

- 16 **Intruder Alarm**
Loss at any Premises where:
 - a. **The Coverholder** has knowingly and wilfully failed to maintain the Intruder Alarm protection,
 - or
 - b. The following apply
 - i. An Intruder Alarm is a requirement of cover and is shown in the Schedule
 - ii. The Premises are unattended
 - iii. The maintenance and efficacy of the Intruder Alarm are **The Coverholder's** responsibility
 - iv. The failure of the Intruder Alarm is a major contributor to Damage
 - v. **The Mutual** has not been informed of the absence of alarm protection.

- 17 **Terrorism**
Damage occasioned by or happening through or in consequence directly or indirectly of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss,

- 18- **Northern Ireland**
Loss or damage arising from riot or civil commotion in Northern Ireland,
and
a. in Northern Ireland civil commotion.

This Cover also excludes Damage or loss resulting from Damage directly or indirectly caused by, resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

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

In any action, suit or other proceedings where **The Mutual** alleges that by reason of this Exclusion any Damage or loss resulting from Damage is not covered by this Cover the burden of proving that such Damage or loss is covered shall be upon **The Coverholder**.

Section 2 – Personal Injury (Robbery)

The Cover Provided

If during the Operative Time the Covered Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death, Disablement or the incurring of Medical Expenses for which the Benefit is claimed, **The Mutual** will pay the appropriate Benefit to **The Coverholder** in respect of the number of Units of Cover as shown in the Schedule.

Number of Units 5 shall mean:

Benefit

| | | |
|---|---|---------|
| 1 | Death | £25,000 |
| 2 | Loss of one or more Limbs | £25,000 |
| 3 | Loss of one or both Eyes | £25,000 |
| 4 | Permanent Total Disablement from any gainful employment for which the Covered Person is fitted by way of training education or experience | £25,000 |
| 5 | Temporary Total Disablement from the Covered Person's usual occupation in the Business | |
| | £250 per week, or 1/52nd of the Covered Person's Annual Salary, whichever is the lesser. | |
| 6 | Medical Expenses shall be reimbursement up to 15% of any amount payable under Benefits 1 to 5 in respect of Medical Expenses necessarily incurred in the treatment of the Covered Person. | |

Conditions

1 Application of Benefits

- A) **The Mutual will not** pay in respect of any one Covered Person in connection with the same Accident more than one of Benefits 1 to 4.
- B) Any disablement under Benefits 2 to 4 **must** be proved to the reasonable satisfaction of **The Mutual** to be permanent and without expectation of recovery before **The Mutual** will pay the Benefit.
- C) **The Mutual** will pay any amount claimed for Benefit 5 in addition to any amount claimed under Benefits 1 to 4 in connection with the same Accident, but, any payment under Benefit 5 will cease as soon as any Benefit is paid under Benefits 1 to 4.
- D) The amount payable per week under Benefit 5 **will not** exceed 1/52nd of the Covered Person's Annual Salary.

2 Assignment

The Mutual will not be bound to accept or be affected by any trust charge lien assignment or other dealing with or relating to this Cover.

3 Disappearance

In the event of the disappearance of an Covered Person if after a suitable period of time it is reasonable to believe that Death has occurred as a result of bodily injury following an Accident, Benefit 1 shall become payable, subject to a signed undertaking by **The Coverholder** that if the belief is subsequently found to be wrong such amount shall be refunded to **The Mutual**.

4 Evidence Required

In connection with any claim:

- A) all medical certificates, reports, information and evidence required by **The Mutual** to substantiate that claim **must** be supplied at the Covered Person's own expense and in such form as **The Mutual** may reasonably require;
- B) the Covered Person **must** undergo a medical examination and provide medical evidence to **The Mutual** (at **The Mutual's** expense) as often as **The Mutual** may reasonably require following receipt of that claim; and
- C) no benefit shall be payable in respect of that claim where the Covered Person fails to undergo such medical examination or provide such medical evidence as referred to in (b) above.

5 Exposure

If an Covered Person suffers Death or Disablement as a result of exposure to the elements **The Mutual** will consider that as having been caused by bodily injury following an Accident.

6 Interest

No sum payable shall carry interest.

Exclusions

The Mutual will not pay any Benefit where bodily injury following an Accident is the result of or is contributed to by:

- 1 illness or disease (not resulting from bodily injury following an Accident),
- 2 any naturally occurring condition or degenerative process,
- 3 any gradually operating process,
- 4 post traumatic stress disorder or any psychological or psychiatric condition (not resulting from bodily injury following an Accident).

The Mutual will not pay the Benefit if:

- 5 bodily injury is sustained by any person before such person attains the age of sixteen years or after the expiry of the Period of Cover during which such person attains the age of eighty years.

Definitions

Applicable to Section 1 – Money and Section 2 – Personal Injury (Robbery)

1 Accident

Accident shall mean;

- A) a sudden and
- B) unexpected or unforeseen and
- C) identifiable incident.

2 Annual Salary

Annual Salary shall mean the Covered Person's total annual remuneration **excluding** payments for overtime commission or bonus (unless otherwise agreed in writing) payable by **The Coverholder** to the Covered Person at the date bodily injury following an Accident is sustained.

3 Benefit and Units of Cover

Benefit and Units of Cover shall mean;

- 1 Death, or
- 2 Loss of one or more Limbs, or
- 3 Loss of one or both Eyes, or
- 4 Permanent Total Disablement from any gainful employment for which the Covered Person is fitted by way of training education or experience

In respect of Benefits 1 to 4, the 5 Units of Cover shown in the Schedule equate to £25,000.

- 5 Temporary Total Disablement from the Covered Person's usual occupation in the Business for the amount shown in the Schedule.

In respect of Benefit 5, the 5 Units of Cover shown in the Schedule equate to £250 per week, which will be payable per week for a maximum of 104 weeks in all, not necessarily consecutive. See also Special Condition 4.

4 Disablement

Disablement shall mean Benefits 2 to 5

5 Money

Cash, bank notes, currency notes, uncrossed cheques, travellers cheques (but **excluding** pre-signed blank cheques), uncrossed bankers' drafts, uncrossed postal orders, uncrossed money orders, current postage and revenue stamps, bills of exchange, consumer redemption vouchers, gift tokens and trading stamps.

6 Non-negotiable Money

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

7 Operative Time

Operative Time shall mean while the Covered Person is engaged upon duties incidental to the Business and as a direct result of attempted robbery or actual robbery.

8 Working Hours

The period during which the Premises are actually occupied for Business purposes and during which **The Coverholder** or those of **The Coverholder's** employees who are entrusted with Money are in the Premises or on **The Coverholder's** contract sites.

9 Covered Person

Covered Person shall mean **The Coverholder** or any officials and municipal members or Employee of **The Coverholder**.

10 Loss of Limb

Shall mean

- A) in the case of a leg loss by physical severance at or above the ankle or permanent total loss of use of a complete foot or leg, or
- B) in the case of an arm loss by physical severance of the entire four fingers through or above the metacarpo- phalangeal joints (where the fingers join the palm of the hand) or permanent total loss of use of a complete arm or hand.

11 Loss of Eye

Shall mean permanent and total loss of sight which will be considered as having occurred

- A) in both eyes if the Covered Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist, or
- B) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Covered Person should see at 60 feet).

12 Medical Expenses

Shall mean the cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital, nursing home and ambulance charges

Liability Cover

THIS COVER **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE

Section 1 – Employers' Liability

THIS SECTION **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE

The Cover provided by Section 1 is on a costs inclusive basis whereby the costs and expenses of the claimant and the costs and expenses (incurred by **The Mutual** or with **The Mutual's** written approval) of any Person Entitled to Indemnity are included within the Limit of Indemnity stated in the Schedule

The Cover Provided

The Mutual will provide indemnity to any Person Entitled to Indemnity:

- 1 against legal liability for damages in respect of Injury of any Person Employed caused during the Period of Cover:
 - A) in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,
 - or
 - B) while temporarily outside these territories,
 arising out of and in the course of employment by **The Coverholder** in the Business.
- 2 in respect of:
 - A) claimants' costs and expenses which **The Coverholder** is legally liable to pay in connection with any claim,
 - B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death.
 - C)
 - i) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty, resulting in Injury which may be subject of indemnity under this Section including the defence of any criminal proceedings brought against the **Coverholder**, officials or municipal members or Employee of **The Coverholder** for a breach of the Corporate Manslaughter and Corporate Homicide Act 2007, or an offence of corporate manslaughter or corporate homicide or a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.
 - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success.

where **The Mutual** has an interest in the outcome of the proceedings,

- D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Section of the Cover,

incurred with **The Mutual's** prior written approval.

General Provisions

Provided that in respect of any one Event:

- 1 the total amount payable under this section of the Cover (including all Extensions, additional Clauses and Memoranda) shall **not** exceed the Limit of Indemnity,
- 2 **The Mutual** may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which, at the absolute discretion of **The Mutual**, the claims arising out of such Event can be settled.

The Mutual will then relinquish control of such claims and be under no further liability in respect thereof,
- 3 the total amount payable by **The Mutual** in respect of all damages costs and expenses, arising out of all claims during the Period of Cover consequent on or attributable to one source or original cause, irrespective of the number of Persons Entitled to Indemnity, having a claim under the Cover on or attributable to that one source or original cause, shall **not** exceed the Limit of indemnity stated in the Schedule For the purposes of the Limit of Indemnity, all of the Persons Entitled to Indemnity under this Cover shall be treated as one party or legal entity, so that there will be only two parties to the contract of Cover namely **The Mutual** and **The Coverholder**
- 4 **We** have arranged for an equivalent insurance contract to be provided to **You** by Builders Direct S.A., an authorised insurer, separately to the discretionary cover provided by **Us** under this Section 4. **You** can find the Cover wording of this additional cover at: <https://www.themilitarymutual.com/products/commercial-insurance/>

Extensions to Section 1

(each of which is subject otherwise to the terms of this Cover)

- 1 **Unsatisfied Court Judgments**

In the event of a judgment for damages being obtained:

 - A) by any Employee or the personal representatives of any Employee in respect of Injury of the Employee caused during any Period of Cover and arising out of and in the course of employment by **The Coverholder** in the Business,
 - B) against any company or individual operating from premises within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,

in any court situate in the territories specified in B) above and

 - C) remaining unsatisfied in whole or in part six months after the date of such judgment,

at the request of **The Coverholder** **The Mutual** will pay to the Employee or the personal representatives of the Employee the amount of any such damages and any awarded costs to the extent that they remain unsatisfied.

Provided that:

- A) there is no appeal outstanding,
- B) if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee shall assign the judgment to **The Mutual**.

2 Compensation for Court Attendance

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

- A) any officials or municipal members of **The Coverholder** £750
- B) any Employee £500

3 Automatic Acquisitions

The indemnity provided by this Section of the Cover shall apply in respect of any new or acquired company within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands from the date of creation or acquisition.

Provided that:

- A) the activity of such company falls within the Business description stated in the Schedule,
- B) the new creation or acquisition **does not** have an annual turnover in excess of 10% of **The Coverholder’s** annual turnover as declared to **The Mutual** at the beginning of the Period of Cover or £10,000,000 whichever is the lesser,
- C) **The Coverholder** shall submit full claims and underwriting information to **The Mutual** within 60 days after such creation or acquisition,

The Mutual shall have the right to make any additional charges or changes in terms in respect of such new creation or acquisition.

Exclusions to Section 1

The indemnity **will not** apply to legal liability:

1 Radioactive Contamination

of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

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

where such legal liability is:

- 1) that of any principal
- 2) accepted under agreement and would not have attached in the absence of such agreement.

2 Road Traffic Legislation

in respect of Injury for which **The Coverholder** is required to arrange motor Cover or security in accordance with any road traffic legislation within the European Union.

3 Fines or Penalties

for:

- A) fines or penalties:
- B) the costs of appeal against any improvement or prohibition notices,
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012,
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction.

Section 2 – Public/Products Liability

THIS SECTION **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE

The Cover Provided

The Mutual will provide indemnity to any Person Entitled to Indemnity:

1 up to the Limit of Indemnity against legal liability for damages in respect of:

- A) accidental Injury of any person,
- B) accidental loss of or damage to Property,
- C) nuisance, trespass to land or trespass to goods or interference with any easement, right of air, light, water or way other than legal liability for damages which result from a deliberate act or omission of **The Coverholder** or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by **The Coverholder**, having regard to the nature and circumstances of such act or omission,

- D) wrongful arrest or false imprisonment,

happening during the Period of Cover in connection with the Business.

2 In respect of:

- A) claimant’s costs and expenses which **The Coverholder** is legally liable to pay in connection with any claim,
- B) the costs of legal representation at any coroner’s inquest or inquiry in respect of any death,
- C)
 - i) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty resulting in Injury which may be subject of indemnity under this Section including the defence of any criminal proceedings brought against **The Coverholder**, officials, municipal members or Employee of **The Coverholder** for a breach of the Corporate Manslaughter and Corporate Homicide Act 2007, or an offence of corporate manslaughter or corporate homicide or a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978,
 - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success,

where **The Mutual** has an interest in the outcome of the proceedings.

- D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Section of Cover,

incurred with **The Mutual’s** prior written approval.

General Provisions

Provided that in respect of:

- A) any one Event,
- B) all Events happening during the Period of Cover in respect of products supplied,
- C) all incidents considered by **The Mutual** to have occurred during the Period of Cover in respect of pollution or contamination of buildings or other structures or of water, or of land, or of the atmosphere,

the following shall apply:

- 1) the total amount payable by **The Mutual** in respect of 1 above and all Extensions, Clauses and Memoranda shall **not** exceed the Limit of Indemnity.
- 2) The Excess will be payable before **The Mutual** shall be liable to make any payment.
- 3) **The Mutual** may at any time pay the Limit of Indemnity (less any sums already p
- 4) id as damages) or any less amount for which, at the absolute discretion of **The Mutual**, the claims arising out of such Event can be settled.

The Mutual will then relinquish control and be under no further liability in respect of such claims except for costs and expenses for which **The Mutual** may be responsible prior to the date of such payment.

- 5) where **The Mutual** is liable to indemnify more than one person the total amount of indemnity in respect of damages shall **not** exceed the Limit of Indemnity.
- 6) the total amount payable by **The Mutual** in respect of all damages arising out of all claims during the Period of Cover consequent on or attributable to one source or original cause, irrespective of the number of Persons Entitled to Indemnity having a claim under this Cover consequent on or attributable to that one source or original cause, shall **not** exceed the appropriate Limit of Indemnity stated in the Schedule.

For the purposes of the Limit of Indemnity, all of the Persons Entitled to Indemnity under this Cover shall be treated as one party or legal entity so that there will be only two parties to the contract of Cover namely **The Mutual** and **The Coverholder** both as defined herein.

- 7) in respect of claims happening or where a claim is brought in North America, all costs and expenses of the claimant and the costs and expenses (incurred by **The Mutual** or with **The Mutual’s** written approval) of any Person Entitled to Indemnity are included within the Limit of Indemnity stated in the Schedule.

Extensions to Section 2

(each of which is subject otherwise to the terms of this Cover)

1 Advertising Injury

The Mutual will indemnify **The Coverholder** in respect of legal liability for Advertising Injury committed during the Period of Cover .

This Extension shall **not** apply in respect of:

- A) liability arising from or caused by a deliberate or intentional act or omission of any person eligible for indemnity by this Extension if the result thereof could reasonably have been expected by **The Coverholder** or any other person having regard to the nature and circumstances of such act or omission,
- B) claims which arise out of circumstances notified to previous insurers or known to **The Coverholder** at inception of this Extension,
- C) Advertising Injury where indemnity is provided by any other Cover,
- D) Advertising Injury arising out of a breach of contract except an implied contract to use another's advertising idea,
- E) Advertising Injury arising out of the failure of goods products or services to conform with any statement of quality or performance,
- F) Advertising Injury arising out of the wrong description of the price of goods products or services,
- G) Advertising Injury committed by A **Coverholder** whose Business is any of the following:
 - i) advertising broadcasting publishing or telecasting,
 - ii) designing or determining the content of web-sites for others.
 - iii) providing an internet search access content or service provider,
- H) Advertising Injury arising out of electronic bulletin boards or chatrooms that **The Coverholder** hosts owns or exercises control over.

2 Automatic Acquisitions

The indemnity provided by this Section of the Cover shall apply in respect of any new or acquired company within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands from the date of creation or acquisition.

Provided that:

- A) the activity of such company falls within the Business description stated in the Schedule,
- B) the new creation or acquisition **does not** have an annual turnover in excess of 10% of **The Coverholder's** annual turnover as declared to **The Mutual** at the beginning of the Period of Cover or £10,000,000, whichever is the lesser,
- C) **The Coverholder** shall submit full claims and underwriting information to **The Mutual** within 60 days after such new creation or acquisition,

The Mutual shall have the right to make any additional charges or changes in terms in respect of such new creation or acquisition.

3 Sudden Pollution or Contamination Incident

In the event of a Sudden unforeseen or unexpected Pollution or Contamination Incident **The Mutual** will provide indemnity to any Person Entitled to Indemnity in respect of:

Liability – Section 2 – Public/Products Liability

- 1) Pollution and contamination costs arising solely under a statutory provision that operates in any part of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,
- 2)
 - i) costs or expenses in relation to any matter which may form the subject of indemnity under this Extension incurred with **The Mutual's** prior written approval,
 - ii) costs and expenses incurred with **The Mutual's** prior written approval in any appeal against any statutory notice served or to be served upon the **Coverholder** by any enforcing authority for any enforcement action which would be the subject of indemnity under this Extension if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success) .

The indemnity provided by this Extension shall **not** exceed the Limit of Indemnity and **will not** apply to costs (including Pollution and contamination Costs):

- A) incurred in achieving any improvement, betterment or alteration in any original property,
- B) for remedial action carried out or in relation to property which at the time of the Sudden Pollution or Contamination Incident giving rise to such legal liability is owned by or held in trust by or in the custody or control of the **Coverholder**,
- C) incurred in relation to the reinstatement, reintroduction or provision of any living organism or natural habitat,
- D) arising out of a genetically modified organism,
- E) comprising the first 10% of any one Sudden Pollution or Contamination Incident subject to a minimum Excess by the **Coverholder** of £2,500 and a maximum Excess of £25,000,
- F) arising solely from the **Coverholder's** liability under legislation operating in any part of Great Britain or Northern Ireland which implements Directive 2004/35/EC on environmental liability with regard to the prevention and remedying of environmental damage including the Environmental Damage (Prevention and Remediation) Regulations 2009,
- G) for incidents happening in North America or where a claim is brought in North America .

Provided that:

- 1) all costs covered under 1) and 2) will form part of and not exceed the Limit of Indemnity shown in the Schedule for all incidents considered by **The Mutual** to have occurred during the Period of cover in respect of pollution or contamination of buildings or other structures or of water or land or the atmosphere,
- 2) the total amount payable under this Extension shall **not** exceed £1,000,000 .

4 Compensation for Court Attendance

In the event of any of the following persons attending court as a witness, at the request of **The Mutual**, in connection with a claim, in respect of which the **Coverholder** is entitled to indemnity under this Section of the Policy **The Mutual** will provide compensation to the **Coverholder** at the following rates per day for each day on which attendance is required:

- A) any officials or council members of the **Coverholder**
£750
- B) any Employee
£500

5 Contingent Motor Liability

Notwithstanding Exclusion 8A) **The Mutual** will provide indemnity to **The Coverholder** against legal liability for Injury, or loss or damage to Property arising out of the use in the course of the Business by any Employee of any Vehicle not the property of nor provided by **The Coverholder**.

The indemnity **will not** apply to legal liability:

- a. in respect of loss of or damage to such Vehicle or to property within the Vehicle,
 - b. in respect of which **The Coverholder** is entitled to indemnity under any other Cover,
 - c. arising out of the use of any Vehicle whilst Airside.
- Exclusion 5 shall **not** apply to this Extension.

6 Cross Liabilities

If **The Coverholder** comprises more than one party **The Mutual** will provide indemnity to each in the same manner and to the same extent as if a separate Cover had been issued to each:

Provided that the total amount payable in respect of damages shall **not** exceed the Limit of Indemnity stated in the Schedule.

7 Data Protection Act 1998

The Municipality shall include the provision of any reciprocal arrangement for the storage or processing of computer data or for use of computer facilities;

Provided that the indemnity **will not** apply to legal liability in respect of any loss or damage sustained by any party to such an arrangement.

The Mutual will also provide an indemnity to **The Coverholder** and if **The Coverholder** so requests any Employee or officials or municipal members of **The Coverholder** against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998.

Provided that **The Coverholder** is registered in accordance with the terms of the Act or has applied for such registration which has not been refused or withdrawn and has taken all reasonable care to comply with the requirements of the Data Protection Act 1998.

This Extension shall **not** apply in respect of:

- a. the payment of fines or penalties,
- b. the costs of replacing, reinstating, rectifying, erasing, blocking or destroying any personal data,
- c. liability arising from or caused by a deliberate or intentional act by or omission of any person eligible for indemnity by this Extension, if the result thereof could reasonably have been expected by **The Coverholder** or any other person having regard to the nature and circumstances of such act or omission,
- d. claims which arise out of circumstances notified to previous insurers or known to **The Coverholder** at inception of this Extension,
- e. legal liability where indemnity is provided by any other Cover.

8 Defective Premises Act

The Mutual will provide indemnity in respect of legal liability for Injury, or loss of or damage to Property, incurred by virtue of the provisions of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975.

The indemnity **will not** apply to legal liability:

- a. for the costs of remedying any defect or alleged defect in premises disposed of by **The Coverholder**,
- b. for the costs of remedying the presence of Asbestos Asbestos Dust or Asbestos Containing Materials,
- c. to the extent that indemnity is provided from any other source.

9 Legionellosis

Notwithstanding Exclusion 13, **The Mutual** will provide indemnity to **The Coverholder** in respect of legal liability for accidental Injury caused by Legionellosis arising out of the Business.

Provided that:

- a. all claims arising out of the same isolated repeated or continuing incidence of Legionellosis shall be considered by **The Mutual** for the purposes of this Cover to have occurred at the time such incident takes place,
- b. all costs covered under this Extension will form part of and not exceed, the Limit of Indemnity shown in the Schedule for all incidents considered by **The Mutual** to have occurred during the Period of Cover in respect of pollution or contamination of buildings, or other structures, or of water, or land, or the atmosphere

10 Legionellosis run off cover

The Mutual will provide indemnity in respect of Injury caused by Legionellosis arising out of the Business happening prior to the inception date of this Cover.

Provided that **The Mutual** shall **not** be liable for claims:

- a. where indemnity is provided by any other Cover,
- b. known to **The Coverholder** or any other Person Entitled to Indemnity prior to inception of this Cover,
- c. notified under any other Cover which was in force prior to the inception of this Cover which might be reasonably expected to give rise to a claim.

11 Member to Member Liability

The Mutual will provide indemnity to any member of **The Coverholder's** social sports or welfare organisations while engaged in such social sports or welfare activities.

Provided that:

- a. such member is not entitled to indemnity under any other Cover, and
- b. such member shall observe and be subject to the terms of this Cover so far as they can reasonably apply.

12 Overseas Personal Liability

The Mutual will provide indemnity to **The Coverholder** and if **The Coverholder** so requests, any Employee, or officials or municipal members of **The Coverholder**, against legal liability in respect of Injury, or loss of or damage to Property incurred in a personal capacity while temporarily outside Great Britain, Northern Ireland, the Channel Islands, or the Isle of Man 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. where indemnity is provided by any other Cover.

13 Unauthorised Movement of Vehicles

The Mutual will indemnify the **Coverholder** in respect of legal liability for Injury, or loss of or damage to Property arising from or in connection with any Vehicle, not the property of nor provided by **The Coverholder**, that is causing an obstruction and interfering with the Business and is moved by any Person Employed or Municipal member of **The Coverholder**.

The indemnity **will not** apply:

- a. where indemnity is provided by any motor Cover contract or where Cover or security is required by law,
- b. in respect of Injury or loss of or damage to Property caused by any Vehicle being moved whilst Airside.

14 Vendor's Liability

The Mutual will provide indemnity to the Vendor in respect of legal liability for accidental Injury, or accidental loss of or damage to Property, arising out of the sale or distribution by such Vendor of any of **The Coverholder's** products.

The indemnity **will not** apply to legal liability:

- A) arising out of the unauthorised sale or distribution of **The Coverholder's** products,
- B) arising out of the issuance of any express warranty by the Vendor which has not been authorised by **The Coverholder**,
- C) arising out of the Vendor intentionally changing the physical or chemical make-up of **The Coverholder's** products,
- D) arising out of repacking or repackaging by the Vendor unless unpacked or unpackaged solely for the purpose of inspection demonstration testing or the substitution of parts under instruction from **The Coverholder** and then repacked or repackaged in the original container or packaging,
- E) arising out of failing to carry out such inspections adjustments tests or service as the Vendor has agreed to or normally would carry out in the usual course of the business in connection with the distribution or sale of **The Coverholder's** products,
- F) arising out of demonstration, installation, service, or repair by the Vendor of **The Coverholder's** products except such operations carried out at the Vendor's premises in connection with the sale of **The Coverholder's** products,
- G) arising out of labelling, relabelling or using **The Coverholder's** products as a container part or ingredient of any other thing or substance,
- H) incurred by persons or organisations from whom **The Coverholder** has acquired **The Coverholder's** products,
- I) assumed by the Vendor under any contract or agreement except to the extent that such liability would have attached in the absence of such contract or agreement,
- J) arising out of the sale or distribution of **The Coverholder's** products other than by the Vendor,
- K) arising out of the ownership or occupation of any premises by the Vendor,
- L) arising out of any unauthorised advice or specification by the Vendor in connection with any of **The Coverholder's** products,
- M) arising out of the failure by the Vendor to maintain **The Coverholder's** products in a merchantable condition.

15 Indemnity to Hirer

The definition of the **Coverholder** is amended to read:

Any hirer of The Premises

We will not provide indemnity:

(1) in respect of

- (a) any commercial or business hire
- (b) any individual, club, organisation, society or group who hire The Premises on a regular weekly or monthly basis. However, **We** will provide indemnity at **Your** request to any individual or group who hire The Premises for non-commercial activities that are regarded as being for the benefit of the local community.

(2) where indemnity is provided by other Cover

The maximum **We** will pay in respect of any one claim is £2,000,000.

16 Libel and Slander

Definition “Publication” shall mean any written material produced in the course of The Business. **The Mutual** will, in respect of any claim made against **The Covered** while this endorsement is in force or within twelve months of its cancellation provided the cause of the claim occurred while the endorsement was in force, indemnify **The Coverholder** in respect of

- a. Compensation
- b. Costs and Expenses as a result of
 - i. libels in any Publication.
 - ii. slanders made in the course of The Business.
 - iii. infringement of any trade mark, registered design, copyright or patent right arising from the contents of any Publication.
 - iv. slander of title to goods.

All claims arising out of one cause, whether or not all such claims are made against **The Coverholder** in the same Period of Cover, will be treated as one claim.

The maximum **We** will pay, inclusive of Costs and Expenses is £250,000, in respect of

- A) any one claim and
- B) the total of all claims in any one Period of Cover. The indemnity **will not** apply to
 - A) withdrawing, recalling or replacing any Publication.
 - B) liability imposed on **The Coverholder** solely by reason of the terms of any contract conditions or agreement.
 - C) actions brought in a court of law outside The Defined Territories.
 - D) ten percent of each and every claim.

Exclusions to Section 2

The indemnity **will not** apply to legal liability:

- 1 Aircraft Products**
arising from Aircraft Products.
- 2 Airside**
arising out of work undertaken Airside.
- 3 Asbestos in North America**
of whatsoever nature directly or indirectly caused by or contributed to by or occurring due to the presence of Asbestos, Asbestos Containing Materials or Asbestos Dust or the release of Asbestos Dust happening in North America or where a claim is brought in North America.
- 4 Asbestos Removal Costs**
for the costs of management (including those of any persons under any statutory duty to manage), removal, repair, alteration, recall, replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos, Asbestos Dust or Asbestos Containing Materials.

5 Employers’ Liability

for bodily injury or mental injury to or death, disease or illness of any Person Employed arising out of and in the course of employment by **The Coverholder** in the Business.

6 Fear of Asbestos

for mental injury or fear of suffering bodily injury, death, disease or illness arising out of actual or suspected exposure to Asbestos, Asbestos Dust or Asbestos Containing Materials.

7 Fines or Penalties

for:

- A) fines or penalties,
- B) the costs of appeal against any improvement or prohibition notices,
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012,
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction,
- E) aggravated exemplary or punitive damages awarded by any court outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

8 Mechanical Vehicles

arising from or out of the ownership, possession or use by or on behalf of **The Coverholder** or any Person Entitled to Indemnity of any:

- A) Vehicle other than legal liability arising out of:
 - i) the use of plant as a tool of trade on site,
 - ii) the use of plant at the premises of **The Coverholder**,
 - iii) the loading or unloading of any vehicle,

except where indemnity is provided by any motor Cover contract or where Cover or security is required by law.

- B) aircraft or other aerial device.
- C) aero spatial device,
- D) hovercraft or hydrofoil,
- E) water-borne vessel or craft other than
 - i) hand propelled or sailing craft inland or territorial waters,
 - ii) craft used for business entertainment within inland or territorial waters.

9 Product Defects and Recall

- A) for loss of, or damage to, any product supplied or contract work executed by **The Coverholder** caused by any defect therein, or the harmful nature or unsuitability thereof, for its intended purpose,
- B) for the costs of recall, removal, repair, alteration, replacement or reinstatement of any product supplied or contract work executed by **The Coverholder** necessitated by any known or suspected defect therein, or the unsuitability thereof for its intended purpose

10 Professional Liability

arising from or in connection with:

- A) advice
- B) design
- C) specification

provided for a fee by **The Coverholder** and not connected with the supply or intended supply of **The Coverholder's** products.

11 Property in The Coverholder's Custody or Control

for or arising from loss of or damage to any Property, which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of **The Coverholder** other than:

- A) Employees', officials, municipal members', or visitors' personal effects including vehicles and their contents,
- B) premises and their contents not owned by or leased or rented to **The Coverholder** at which **The Coverholder** is undertaking work in connection with the Business,
- C) premises and their fixtures and fittings leased or rented to **The Coverholder** unless such legal liability:
 - i) has been accepted by agreement in which case the Cover will only be provided to the extent that such liability would have attached in the absence of such agreement,
 - ii) arises from an agreement to maintain in force Cover in respect of loss of or damage to such premises and their fixtures and fittings.

12 Property Worked Upon

for loss of, or damage to that part of any Property upon which **The Coverholder** is or has been working, where such loss or damage is the direct result of such work.

13 Radioactive Contamination

of whatsoever nature directly or indirectly caused by, or contributed to by, or arising from:

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

14 Sudden Pollution of Contamination Incident

caused by or arising out of pollution or contamination of buildings or other structures or of water or of land or the atmosphere:

- A) happening in North America or where a claim is brought in a court of law in North America,
- B) happening anywhere in the world other than North America unless caused by a Sudden Pollution or Contamination Incident.
- C) the cost to reinstate pollution damage to **Your** premises or any site, watercourse or body of water **you** own, lease or rent
- D) the cost to reinstate or reintroduce any form of plant or animal life
- E) any costs to reverse stop or minimise pollution outside **Your** legal liability under the Environmental Damage (Prevention and Remediation) Regulations 2009
- F) pollution that happens gradually over time

15 War and Allied Risks

arising from any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power.

Section 3 – Legal Defence Costs

THIS SECTION **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE

Where Injury of any person or loss of or damage to Property has not occurred or where **The Mutual** ceases to have an interest in the outcome of the proceedings under any other Liability Cover Section Covered under this Cover, **The Mutual** will provide indemnity to **The Coverholder** and if **The Coverholder** so requests any Employee or officials or municipal members of **The Coverholder** up to the Limit of Indemnity in respect of:

- A) legal costs and other expenses incurred with **The Mutual's** prior written approval,
- B) costs awarded against **The Coverholder** or any officials, municipal members or Person Employed,

in connection with the defence of criminal proceedings brought or in appeal against a conviction, arising from such proceedings, if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success, relating to an offence alleged to have been committed during the Period of Cover, in the course of the Business but only in respect of proceedings brought as stated in Part A and B below.

The Cover Provided

Part A

In respect of a breach of:

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978, where the proceedings relate to the health, safety and welfare of any Person Employed, officials or municipal members of **The Coverholder**
- 2 the Corporate Manslaughter and Corporate Homicide Act 2007.

Part B

In respect of a breach of:

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978, where the proceedings relate to the health, safety and welfare of any person other than a Person Employed, officials or municipal members of **The Coverholder**,
- 2 Part II of the Consumer Protection Act 1987,
- 3 Part II of the Food Safety Act 1990.
- 4 the Corporate Manslaughter and Corporate Homicide Act 2007.

General Provisions

Provided that in respect of Part A and B:

- 1 the indemnity **will not** apply:
 - A) to fines or penalties of any kind,
 - B) to the costs of appeal against any improvement or prohibition notices,
 - C) to fees for intervention payable under the Health and Safety Fees (Regulations) 2012,
 - D) where indemnity is provided by any other Cover,
 - E) to proceedings consequent upon any deliberate act or omission by:
 - i) **The Coverholder**,
 - ii) any officials or municipal members of **The Coverholder**,
 - iii) any Employee with any specific responsibility for compliance with the legislation specified in this Section, which could reasonably have been expected to constitute a breach of the legislation specified in this Section.
 - F) to any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to Asbestos, Asbestos Dust or Asbestos Containing Materials.
- 2 **The Mutual** may at any time pay the Limit of Indemnity (less any sums already paid) or any less amount for which, at the absolute discretion of **The Mutual**, the claims arising can be settled but including any amount for which **The Mutual** may be responsible prior to the date of such payment.

The Mutual will then relinquish control of such claims and be under no further liability in respect thereof.
- 3 where **The Mutual** is liable to indemnify more than one person the total amount of indemnity shall **not** exceed the Limit of Indemnity.

Special Provision

The Mutual shall pass notification to an independent third party service provider with whom **The Mutual** has an agreement which shall thereafter administer claims settlement on **The Mutual's** behalf.

Definitions

Applicable to Liability Cover (Sections 1–3).

1 Advertising Injury

- A) oral or written publication of material in any manner that slanders libels or defames a person’s or organisation’s goods products or services
- B) oral or written publication of material in any manner that infringes a person’s legal right to privacy
- C) the use of another’s advertising idea
- D) infringement of copyright trade dress or slogan

committed in the course of advertising **The Coverholder’s** goods products or services

2 Aircraft Products

Aircraft or any aerial device (including missiles or spacecraft) and any other goods or products manufactured, sold, handled or distributed or services provided or recommended by **The Coverholder** or by others trading under their name for use in the manufacture, repair, operation, maintenance or use of any aircraft or aerial device.

3 Airside

That part of any airport airfield or military installation provided for

- A) the take-off or landing of aircraft or the movement of aircraft on the ground
- B) aircraft parking including any associated service roads refuelling areas ground equipment parking areas aprons maintenance areas and hangars

4 Asbestos

Crocidolite, amosite chrysotile, fibrous actinolite, fibrous anthophyllite, or fibrous tremolite or any mixture containing any of those minerals.

5 Asbestos Containing Materials

Any material containing Asbestos or Asbestos Dust.

6 Asbestos Dust

Fibres or particles of Asbestos.

7 Business

That which is specified in the Schedule and conducted solely from premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man and shall include:

- A) the ownership, repair and maintenance of **The Coverholder’s** own property,
- B) the provision and management of canteen, social, sports and welfare organisations and first aid, ambulance and medical services for the benefit of any Person Employed,
- C) fire and security services maintained solely for the protection of premises owned or occupied by **The Coverholder**,
- D) private work undertaken by any Person Employed for any officials or municipal members of **The Coverholder** or Employee with the prior consent of **The Coverholder**,

- E) the provision of car parks,
- F) the provision of sponsorship of events and sponsorship of individuals,
- G) repair or servicing of vehicles other than on a commercial basis,
- H) attendance at or participation in trade fairs shows and exhibitions by any Employee or Municipal member in connection with their employment,
- I) former activities of **The Coverholder** as declared and agreed by **The Mutual**,

but in respect of Section 1 shall **not** include any work undertaken Offshore.

8 Pollution and contamination Costs

The costs reasonably incurred by:

- A) a government agency or regulatory body,
- B) **The Coverholder** with the written consent of **The Mutual** where a government agency or regulatory body would have required remediation,

in each case in carrying out action to curtail or minimise or remediate a Sudden, unexpected and unintended Pollution or Contamination Incident in respect of which **The Coverholder** is legally responsible.

9 Employee

municipal member, official, partner, Volunteer, departmental director or senior manager of the Covered.

10 Employment-Related Practices

Any error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly committed or attempted by **The Coverholder** in connection with any actual or alleged:

- A) unlawful or unfair dismissal, discharge or termination of employment,
- B) breach of any written or oral employment contract or quasi-employment contract,
- C) employment-related misrepresentation,
- D) breach of the Equality Act 2010,
- E) violation of or non-compliance with legislation regulating working hours,
- F) failure to employ or promote,
- G) demotion,
- H) discipline,
- I) deprivation of a career opportunity,
- J) failure to grant tenure,
- K) failure to adopt adequate workplace or employment policies and procedures,
- L) retaliatory treatment of whistleblowers and others,
- M) negligent evaluation,
- N) employment-related invasion of privacy,
- O) employment-related breach of data protection legislation,

- P) employment-related libel, slander, humiliation and defamation,
- Q) failure to furnish job references or accurate job references,
- R) employment-related infliction of mental anguish or emotional distress.

11 Excess

The amount or amounts specified in the Schedule which **The Coverholder** agrees to pay in respect of damages costs and expenses

12 Injury

Sections 1 and 3 (Part A)
bodily injury, death, disease or illness

Sections 2 and 3 (Part B) and 4
bodily injury, mental injury, death, disease or illness

13 Intellectual Property Rights

Any patent, trade mark, copyright, registered design, technical or commercial information or other intellectual property.

14 North America

The United States of America or Canada or any other territory within the jurisdiction of either such country.

15 Offshore

Embarkation onto a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance onto land upon return from such offshore rig or platform.

16 Person Employed

Any of the following while under the direct control and supervision of **The Coverholder** and while working for **The Coverholder** in connection with the Business:

- A) Employee
- B) labour master and persons supplied by them
- C) individuals employed by labour only sub-contractors
- D) self-employed person (not being in partnership with **The Coverholder**)
- E) individual hired to or borrowed by **The Coverholder**
- F) individual undertaking study or work experience while under the supervision of **The Coverholder**,
- G) person working under the Community Offender Act 1978 or similar legislation,
- H) prospective employees being assessed by **The Coverholder** as to their suitability for employment,
- I) voluntary worker helper or instructor.
- J) Apprentice
- K) municipal member, official, partner, Volunteer, departmental director or senior manager

17 Person Entitled to Indemnity

- A) **The Coverholder**,
- B) the personal representatives of **The Coverholder** in respect of legal liability incurred by **The Coverholder**,
- C) at the request of **The Coverholder** **The Mutual** will also indemnify the following within the terms and conditions of the Cover:
 - i) any principal,
 - ii) any officials or municipal members of **The Coverholder**,
 - iii) any Person Employed,

against legal liability in respect of which **The Coverholder** would have been entitled to indemnity under this Section of the Cover if the claim had been made against **The Coverholder**,

- iv) the officers, committees and members of **The Coverholder's** canteen, social, sports and welfare organisations and first aid, fire, ambulance, medical and security services in their respective capacities as such but this shall **not** include medical or dental practitioners in relation to medical services provided,
- v) any officials or municipal members of **The Coverholder** or Employee in respect of private work undertaken by any Person Employed for such officials, municipal members or Employee with the prior consent of **The Coverholder**,

each of whom shall as though **The Coverholder** be subject to the terms of this Section of the Cover so far as they can apply.

18 Property

Material property but shall **not** include Data.

19 Sudden Pollution or Contamination Incident

Pollution or contamination of buildings or other structures or of water or land or of the atmosphere caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place in its entirety at a specific moment in time and place in Great Britain, Northern Ireland and the Channel Islands or the Isle of Man during the Period of Cover.

Provided that all pollution or contamination which arises out of one Sudden Pollution or Contamination Incident shall be considered by **The Mutual** for the purposes of this Cover to have occurred at the time such incident takes place.

20 Terrorism

Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto.

21 Vehicle

Any mechanically propelled vehicle (including any machinery or apparatus which is attached thereto).

22 Vendor

Any person or organisation who undertakes in the normal course of their business to distribute or sell **The Coverholder's** product.

Fidelity Cover

THIS COVER **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE

This is a loss discovered Cover wording. No cover exists for any loss first discovered before the Period of Cover or after the end of the Period of Cover unless and to the extent that a Discovery Period applies.

The Cover Provided

The Mutual shall indemnify the Covered for:

- 1 **Employee Fraud**
loss of Money, Securities or Property owned or leased by the Covered directly resulting from a Fraudulent Act,
- 2 **Third Party Funds Transfer Fraud**
loss directly resulting from Third Party Funds Transfer Fraud,
- 3 **Forgery**
Of Cheques and other Financial Instruments loss directly resulting from Forgery by a Third Party of any Financial Instrument,
- 4 **Counterfeit Paper Currency**
loss directly resulting from the acceptance in good faith of any Counterfeit money orders or current paper currency,
- 5 **Corporate Card Fraud**
loss directly resulting from the fraudulent use by a Third Party of any Corporate Card,
- 6 **Telecommunications Fraud**
charges for which the Covered is legally liable, directly resulting from the fraudulent and unauthorised access and use by a Third Party of a Telecommunications System provided that:
 - A) **The Mutual** shall **not** be liable for any loss or part of a loss occurring more than 30 days prior to the date of Discovery and
 - B) the maximum liability of **The Mutual** for Any One Claim under this insuring clause shall **not** exceed £50,000, such amount being part of and not in addition to the Limit of Indemnity,
- 7 **Public Utilities Fraud**
charges for which **The Coverholder** is legally liable, directly resulting from the theft or abstraction by a Third Party of Public Utilities provided that:
 - A) **The Mutual** shall **not** be liable for any loss or part of a loss occurring more than 90 days prior to the date of Discovery and
 - B) the maximum liability of **The Mutual** for Any One Claim under this insuring clause shall **not** exceed £50,000, such amount being part of and not in addition to the Limit of Indemnity, first Discovered during the Period of Cover.

Conditions

- 1 **Notice and Proof of Claims**
 - A) In order for claims to be accepted under this Cover, **The Coverholder must** give notice of a loss as soon as reasonably possible after it is Discovered and in no event later than 60 days after Discovery to **The Mutual**

Notice will be effective on the day of receipt by **The Mutual**.

Failure to comply with this condition will result in the claim being rejected.
 - B) Within 6 months after Discovery of any such loss, **The Coverholder** shall at their own expense (except as otherwise provided for by this section of the Cover) provide to **The Mutual**, at the address set out above, proof of loss with full particulars including all relevant information in their possession in relation to the loss and such further information as may be required by **The Mutual**.
- 2 **Cancellation of cover in respect of any Employee**
All cover shall be cancelled in respect of municipal member, official, partner, departmental director or senior manager of the Covered (not acting In Collusion with the Employee) first becomes aware of facts which would cause a reasonable person to believe that any act of fraud or dishonesty has been or is likely to be committed by such Employee, irrespective of whether such act occurred before or after the commencement of employment with the Covered.
- 3 **Acquisition, Merger or Winding-up of the Coverholder**
Unless otherwise agreed in writing by **The Mutual** and the Covered, this section of the Cover shall terminate for all Covered upon:
 - A) the acquisition of the entire issued share capital of **The Coverholder**, or of all or substantially all of its assets by another entity or the merger or consolidation of **The Coverholder** into or with another entity such that **The Coverholder** is not the surviving entity or
 - B) the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate at least 50% of the directors of **The Coverholder** or
 - C) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, administrator, supervisor, trustee or other similar insolvency appointee or fiduciary to **The Coverholder**.

Following termination the Covered may continue to notify loss first Discovered during the latter of the Discovery Period noted in the Schedule or the Period of Cover provided that:

 - i) cover shall only apply to loss or that part of a loss occurring prior to the event described in A), B) or C) above and
 - ii) cover for that Covered is not replaced by a similar Cover issued by **The Mutual** or by an alternative insurer, irrespective of whether such other Cover provides cover for loss sustained prior to its effective date.

4 Disposal or Winding-up of Subsidiaries

Unless agreed in writing by **The Mutual** and the Covered, this section of the Cover shall terminate for a Subsidiary:

- A) upon the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, administrator, supervisor, trustee or other similar insolvency appointee or fiduciary, or
- B) upon falling outside the definition of Subsidiary.

Following termination, such Covered may continue to notify loss first Discovered during the latter of the Discovery Period noted in the Schedule or the Period of Cover provided that:

- i) cover shall only apply to loss or that part of a loss occurring prior to the event described in A) or B) above and
- ii) cover for that Covered is not replaced by a similar Cover issued by **The Mutual** or by an alternative insurer, irrespective of whether such other Cover provides cover for loss sustained prior to its effective date.

5 Limit of Indemnity

The liability of **The Mutual** shall **not** exceed the Limit of Indemnity.

If Any One Claim under this section of the Cover falls to be covered by more than one insuring clause, the maximum liability of **The Mutual** shall **not** exceed the Any One Claim Limit of Indemnity.

Any applicable Discovery period shall **not** increase or reinstate the Limit of Indemnity, which shall be the maximum liability of **The Mutual** for the Period of Cover and Discovery Period combined.

The Excess **does not** form part of the Limit of Indemnity and it shall be payable by the Covered before the application of the Limit of Indemnity.

6 Termination of Prior Policies

The commencement of cover under this section of the Cover shall terminate, if not already terminated, all previous liability of **The Mutual** to the Covered under any prior policies including liability arising by reason of any discovery period stated in such policies.

7 Single Covered Entity

This section of the Cover is a single form of protection irrespective of the number of those Covered.

Where there is more than one Covered:

- A) **The Coverholder** shall act on behalf of all those Covered with respect to:
 - i) the giving of and receiving of notice of Discovery of loss,
 - ii) the payment of contributions and the receiving of any return contributions that may become due under this section of the Cover,
 - iii) the negotiation, agreement to and payment of claims,
 - iv) the negotiation agreement to and acceptance of Clauses and
 - v) the giving or receiving of any notice provided for in this section of the Cover,

and those Covered agree that **The Coverholder** shall so act on their behalf.

- B) all amounts payable under this section of the Cover shall be made to **The Coverholder**.

The Mutual shall **not** be liable for the application or distribution of such amounts between those Covered and shall be released from all liability in respect of such payment by virtue of its payment to **The Coverholder**.

- C) Discovery made by one Covered Person shall constitute Discovery made by every Covered Person
- D) **The Mutual's** liability for loss sustained by any or all of those Covered shall **not** exceed the amount for which **The Mutual** would have been liable had all such loss been suffered by any one of those Covered.
- E) the Limit of Indemnity **does not** apply separately for each of those Covered.
- F) **The Mutual** shall **not** be liable for loss sustained by one of those Covered to the advantage of any other of those Covered.

8 Acquisitions Prior to the Period of Cover

If a Subsidiary has been acquired by **The Coverholder** prior to the Period of Cover, such Subsidiary shall only be covered under this section of the Cover in relation to loss occurring after the date on which such Subsidiary was acquired by **The Coverholder** unless agreed in writing by **The Mutual**.

9 Partial Invalidity

Should any provision of this section of the Cover be or become invalid or unenforceable pursuant to the law to which this section of the Cover is subject, such provision shall be deemed to be deleted and all other terms and conditions of this section of the Cover shall remain in full force and effect.

10 Alteration and Assignment

No change in modification of or assignment of interest under this section of the Cover shall be effective unless agreed in writing by **The Mutual**.

11 Termination of Employment

Upon termination of employment of any Employee, the Covered shall take all reasonable precautions to prevent fraud or dishonesty by that Employee which may give rise to a claim under this Cover.

12 Recoveries

All recoveries made by either **The Coverholder** or **The Mutual** shall be allocated after deducting the reasonable costs of recovery as follows:

- A) firstly, to the benefit of **The Coverholder** to reduce or extinguish the amount of the loss to the extent that it would have been paid under this section of the Cover but for the fact that such loss exceeds the Limit of Indemnity together with any Excess where applicable,
- B) secondly, to the benefit of **The Mutual** for all sums paid in settlement of loss arising under this section of the Cover and
- C) thirdly, to the benefit of **The Coverholder** for the amount of the Excess under this section of the Cover.

All recoveries made prior to or after settlement of any claim under this section of the Cover shall be held for the benefit of **The Mutual** and applied as stated above.

13 Other covers

If at the time any claim arises under this section of the Cover there is any alternative Cover, indemnity or guarantee covering the same loss, **The Mutual** shall **not** be liable except to the extent of any excess beyond the amount payable, under such alternative cover, indemnity or guarantee had this section of the Cover not been effected.

14 Valuation

The Mutual shall **not** be liable for more than:

- A) the actual market value of Securities, at the close of business on the business day immediately preceding the day on which the loss was discovered or the actual cost of replacing Securities, whichever is less,
- B) the cost of blank material such as blank pages, tapes or other materials, plus the cost of labour and computer time for the actual transcription or copying of Data, which shall have been furnished by the Covered in order to reinstate such electronic Data,
- C) the value of foreign currency calculated in pounds sterling at the rate of exchange published as The Financial Times closing mid-point rate on the date of Discovery,
- D) the actual cash value of Property at the time of loss or the actual cost of repairing or replacing the Property with property of similar quality or value, whichever is less.

15 Minimum Standards of Control - Condition Precedent

It is a condition precedent to any liability of **The Mutual** that the following Minimum Standards of Control shall apply:

Auditors

The accounts of **The Coverholder** including all subsidiary companies shall be examined by external auditors every twelve months

Cheque Signing

A) all manually prepared cheques or other bank instruments drawn for more than £10,000 shall require two manually applied signatures to be added after the amount has been inserted no cheque or instrument shall be signed until one signatory has examined the supporting documentation

B) in the case of computer or machine prepared cheques or other bank instruments the supporting documentation shall be examined and authorised before the requisition for the cheque or instrument is input All such cheques or instruments drawn for an amount in excess of £10,000 shall require one manually applied signature added after the cheque or instrument is prepared **The Coverholder's** bankers shall be advised of the above requirements as to signatures Payroll In respect of Employees not paid by crossed cheque or credit transfer the cast of the payroll will be subject to an independent check before payment to ensure that the total amount drawn is correct Stocktaking There will be a physical check on all stock and materials held against verified stock records independent of Employees responsible at intervals of not more than 12 months except where otherwise stated herein

Ordering Goods

Different Employees acting independently shall be responsible for the ordering of stock and materials the recording of receipt of such and the authorising of payment for them Statements of Account Statements of account for all amounts due will be issued at least monthly and direct to customers independently of Employees receiving or collecting monies Action by management shall be taken if an account becomes three months overdue

Extensions

Subject to all of the terms and conditions of this section of the Cover, cover is extended to include the following:

1 Care, Custody and Control

Where a loss which is covered under any covering clause of this section of the Cover includes a direct loss of Money, Securities or Property:

- A) held for others while in the care, custody and control of **The Coverholder** or
- B) for which **The Coverholder** is legally liable,

such Money, Securities or Property shall be included in the cover provided by this section of the Cover. Such amount shall be part of and not in addition to the Limit of Indemnity.

2 Expenses

The cover provided under this section of the Cover shall include the following costs and expenses incurred with the prior written consent of **The Mutual**:

- A) Auditors' Fees,
- B) Computer Clean-up Costs,
- C) Defence Costs and
- D) Public Relations Consultancy Fees.

The maximum payable by **The Mutual** under this Extension shall **not** exceed 10% of the Any One Claim Limit of Indemnity stated in the Schedule or £250,000 whichever is the lesser. Such amount shall be payable in addition to the Limit of Indemnity.

3 Acquisitions

A) If during the Period of Cover **The Coverholder** acquires or creates any new Subsidiary, either directly or through one or more of its Subsidiaries, cover shall apply provided that the new Subsidiary:

- i) has no more than 20% of the total number of Employees previously declared by or on behalf of **The Coverholder** and
- ii) **does not** undertake activities which vary materially from those previously declared to **The Mutual** and
- iii) has not in the preceding 3 years suffered any loss of a type covered by this section of the Cover (whether Covered or not and before the application of any retention, deductible or excess) greater than 25% of the amount of the excess and
- iv) adheres to controls and procedures which are as effective as those most recently advised to **The Mutual** by **The Coverholder** creating or acquiring such Subsidiary.

B) If the new Subsidiary acquired or created falls outside the conditions stated above, **The Mutual** shall provide cover for a period of 30 days, during which time **The Coverholder** shall provide any additional information and pay any additional contribution and carry any increased Excess as may be reasonably required by **The Mutual**.

C) Cover provided in relation to any new Subsidiary shall only apply with respect to any loss which occurs after the date of their creation or acquisition unless agreed in writing by **The Mutual**.

4 Discovery Period

Following expiry or earlier termination of this section of the Cover for any Covered, the Covered may continue to notify loss first Discovered during the Discovery period noted in the Schedule provided that:

- A) cover shall only apply to loss or that part of a loss occurring prior to the expiry of the Period of Cover or earlier termination and
- B) cover for that Covered is not replaced by a similar Cover of Cover issued by **The Mutual** or by another insurer, irrespective of whether such other Cover provides cover for loss sustained prior to its effective date.

Any loss first Discovered during the period provided under this Extension shall be deemed to have been Discovered during the immediately preceding Period of Cover.

5 Loss of Interest

The cover provided under this section of the Cover shall include the amount of any interest that would have been receivable by the Covered but for a loss covered by this Cover, provided that the liability of **The Mutual** for such interest shall be limited to simple interest on the principal amount of any Money (for which it can be proved that interest would have been received), calculated at the London Inter Bank Offered Rate, as published in the Financial Times, on the date of Discovery of loss.

The maximum amount payable under this Extension shall **not** exceed 15% of the Any One Claim Limit of Indemnity stated in the Schedule. Such amount being part of and not in addition to the Limit of Indemnity stated therein.

6 Computer Violation

The cover provided under this section of the Cover shall include Computer Clean-up Costs directly resulting from a Computer Violation committed by an Employee. Such amount being part of and not in addition to the Limit of Indemnity stated therein.

7 Contractual Penalties

The cover provided under this section of the Cover shall include the amount for which the Covered is contractually required to pay (**excluding** damages for breach of contract) as a result of a loss covered by this section of the Cover, provided that such amount shall **not** exceed 15% of the Any One Claim Limit of Indemnity stated in the Schedule. Such amount being part of and not in addition to the Limit of Indemnity stated therein.

8 Benefit Plans

The definition of Subsidiary under this section of the Cover shall include any Benefit Plan declared to **The Mutual** prior to the commencement of the Period of Cover or as acquired or created during the Period of Cover under the terms of the Acquisitions Extension.

For the purposes of this Extension the definition of Employee shall include any natural person who acts as a trustee of any Benefit Plan.

Exclusions

The Mutual shall **not** be liable for:

1 Taxes, Penalties, Fines and Damages

any taxes, penalties, fines or damages except for direct compensatory damages or contractual penalties as specifically covered under this section of the Cover.

2 Indirect Loss

any loss which amounts to indirect loss of any kind including but not limited to payment of costs, fees or other expenses except as specifically covered under this section of the Cover.

3 Profits Dividends or other Income or Interest

profits, dividends or other income or interest except as specifically covered under this section of the Cover.

4 Coverholders Excess

the Excess to be paid stated in the Schedule.

5 Confidential Information

any loss of and/or damage to proprietary information, confidential processing methods, trade secrets, intellectual property or other confidential information of any kind.

6 Discovery Outside the Period of Cover

any loss first Discovered:

- A) prior to the commencement of the Period of Cover or
- B) after the expiry of the Period of Cover unless provided by the Discovery Period Extension.

7 Retroactive Date

any loss or part of loss sustained prior to the Retroactive Date stated in the Schedule.

8 Profit and Loss Computation and Inventory Comparison

any loss which is dependent solely upon:

- A) a profit and loss comparison or
- B) a comparison of inventory records with an actual physical count,

provided that where the Covered establishes wholly, apart from such comparison, that it has sustained a loss covered under this section of the Cover by an identifiable Employee, then it may offer its profit and loss comparison or comparison of inventory records with an actual physical count in support of the amount of loss claimed.

9 Major Shareholders

a Fraudulent Act committed by:

- A) an Employee controlling more than 5% of the voting share capital of **The Coverholder** at the time of committing such act or
- B) any equity partner or Member of **The Coverholder**,

whether acting alone or In Collusion with another Employee or with other persons.

10 Contractual Liability

any loss resulting from an agreement by **The Coverholder** whereby the amount of their liability exceeds the amount of the liability which would have attached to **The Coverholder** in the absence of such an agreement, except as specifically covered under this section of the Cover.

11 Geographical Limits

any Fraudulent Act committed by an Employee normally resident outside Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

12 Terrorism

any loss arising directly or indirectly out of Terrorism.

Definitions

1 Any One Claim

All loss as specifically covered under this section of the Cover directly or indirectly resulting from an act or number of acts of one or more persons acting alone or In Collusion.

2 Auditors Fees

Independent professional auditor's fees necessarily incurred by the Covered to substantiate the amount of a loss covered by this section of the Cover.

3 Benefit Plan

Any pension or benefit plan established by the Covered for the benefit of its past and present Employees.

4 Clause

An alteration to the terms of this section of the Cover agreed in writing.

5 Computer Clean-up Costs

The reasonable costs stated in 1 and 2 below following the fraudulent use of computer hardware, software or Computer System which are the subject of a loss covered by this section of the Cover.

- 1 Rewriting or amending the software, programs or systems where such rewriting or amending is necessary to correct the programs systems or the security codes.
- 2 Duplicating destroyed or damaged electronic data or computer programs from other electronic data or computer programs, which shall have been furnished by the Covered and in the event that destroyed or damaged computer programs cannot be duplicated from other computer programs, the cost incurred for computer time, computer programmers, consultants or other technical specialists, as is reasonably necessary to restore the computer programs to substantially the previous level of operational capability, but shall **not** include costs arising:
 - A) as a result of the reconstitution of Data recorded on magnetic or optical media, if there are no analysis files specifications or backups of software or Data held outside the Covered's premises, or
 - B) as a result of the reconstitution of Data, if the Covered knowingly uses illegal copies of programs:
 - i) to render the information usable by replacement processing equipment, or
 - ii) to design, update or improve the software or programs or to perfect their operation or performance, or
 - C) as a result of an alteration in Data held on magnetic media due to the effect of magnetic fields, their incorrect use or the obsolescence of the Computer System.

6 Computer System

A computer or network with its input, output, processing, storage and communication facilities and shall include off-site media libraries.

7 Computer Violation

An intentional, unauthorised and malicious:

- 1 entry of Data into a Computer System, or
- 2 change to data elements or software which is kept in machine readable format, or
- 3 change to data elements or software which is kept in machine readable format, or
- 4 introduction of instructions, programmatic or otherwise, which propagate themselves through a Computer System

8 Corporate Card

Any corporate, credit, debit or charge card issued to municipal member, official, partner, Member, departmental director or senior manager of the Covered of the Covered for Business purposes, other than such cards issued by the Covered.

9 Corporate Card Fraud

The fraudulent use of any Corporate Card provided that:

- 1 the Covered has complied fully with the provisions, conditions or other terms under which the card was issued and
- 2 the Covered is legally liable for such loss.

10 Covered

The **Coverholder** set out in the Schedule and all of its Subsidiaries, declared to **The Mutual**, prior to the commencement of the Period of Cover, or as acquired or created during the Period of Cover under the terms of the Acquisitions Extension

11 Coverholder

The organisation set out in the Schedule. Where there is only one Covered, a reference to The **Coverholder** shall be deemed a reference to the Covered and where there is more than one **Coverholder**, The **Coverholder** shall be the first named Covered in the Schedule

12 Counterfeit

An imitation of an original which is intended for fraudulent purposes to cause a reasonable person familiar with the appearance of the original to believe that the imitation is the original.

13 Data

Information contained in a manuscript, record, account, microfilm, tape or other record, whether or not contained in a Computer System.

14 Defence Costs

Reasonable legal fees, costs and expenses incurred by the Covered, in defence of any claim resulting from the refusal to pay any Financial Instrument in which refusal it is alleged that such instrument is forged or fraudulently altered and in which proceedings are brought against the Covered to enforce payment of any such instrument.

15 Discovered or Discovery

When a municipal member, official, partner, departmental director or senior manager of the Covered (not acting In Collusion with an Employee) first becomes aware of facts which would cause a reasonable person to believe that a loss has been or is likely to be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of such loss may not then be known. Discovery also occurs when a person named above receives notice of an actual or potential claim alleging facts that if true, would constitute a loss covered by this section of the Cover.

16 Employee

A natural person

- 1 whilst employed under a contract of service or apprenticeship with the Covered (other than members of the board of directors or equivalent management board of the Covered) in the ordinary course of its business whether temporary, permanent, full-time, part-time or seasonal,
- 2 who personally performs duties or services under the control and direction of the Covered in the ordinary course of its business who is:

a student, secondee or on a work experience or

- A) training placement,
- B) working exclusively for the Covered and for no other party, under a contract for services as a consultant having previously been employed by the Covered

- C) provided to the Covered by an agency on a permanent or temporary basis,
 - D) engaged by the Covered to develop a Computer System or computer programs,
 - E) municipal member, official, partner, Volunteer, departmental director or senior manager of the Covered
- 3 who is a member of the municipal or equivalent management board, other than equity partners or Members of **The Coverholder**.
 - 4 who is employed by an organisation to whom **The Coverholder** Outsources any administrative function, other than where such person is or acts on behalf of any external auditor, accountant, broker, investment adviser or investment manager, factor, commission merchant, consignee or other similar agent or representative, unless specifically agreed by **The Mutual**,
 - 5 who falls into any of the categories 1 to 4 above and whom the Covered is unable to identify by name, but whose acts have caused a loss, provided that the evidence submitted proves beyond reasonable doubt that the loss was due to the act of such person and
 - 6 who falls into any of the categories 1 to 4 above for the first 60 days following termination of service.

An Employee of any Covered is considered to be an Employee of every Covered.

17 Excess

The first part of any one claim borne by the covered

18 Financial Instrument

Any cheque, draft promissory note or similar written promise, order or direction to pay a sum certain in money made, or drawn by, or drawn upon, **The Coverholder** or made by one acting as agent of **The Coverholder** on **The Coverholder's** behalf or purporting to have been so made or drawn.

19 Forgery

A counterfeit, reproduction or alteration of an original, or the signing by hand of another natural person's signature with the intent to deceive, but **does not** mean the signing of one's own name with or without authority, in any capacity for any purpose. Mechanically or electronically produced or reproduced signatures shall be treated as hand-written signatures.

20 Fraudulent Act

An act of fraud or dishonesty committed by an Employee with the clear intent of obtaining an improper personal financial gain for themselves or for any other person or organisation intended to receive such gain. For the purposes of this definition, "improper personal financial gain" shall **not** include salary, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other emoluments or benefits earned in the normal course of employment.

21 In Collusion

Two or more persons who are connected, involved, acting or implicated together or materially assist each other.

22 Limit of Indemnity

The maximum liability of **The Mutual** for Any One Claim, provided always that if an aggregate limit is shown in the Schedule, the amount shown shall be the maximum liability of **The Mutual** for all claims (other than that detailed in the

Expenses Extension) under this section of the Cover during the Period of Cover and under the terms of the Discovery Period Extension.

23 Money

- a. currency, coins and bank notes in current use and bullion.
- b. travellers cheques, postage stamps, luncheon vouchers, consumer redemption vouchers, gift tokens, trading stamps, phone cards, VAT stamps, petrol cards, all in current use and unused credits in franking machines.
- c. monetary balances held at a financial institution to the credit of **The Coverholder**.

24 Outsource

The retention and authorisation by **The Coverholder** of a person or organisation to perform an administrative function on behalf of **The Coverholder** provided that:

- 1 such function is performed under a written contract, and
- 2 **The Coverholder** retains the right to audit the performance of such function, and
- 3 **The Coverholder** can demonstrate that they have vetted the person or organisation for competency, financial stability and honesty prior to the retention and authorisation by **The Coverholder** of such person or organisation to perform such function.

25 Property

Tangible property, other than Money or Securities.

26 Public Relations Consultancy Fees

Fees necessarily incurred by **The Coverholder** to employ the services of an external public relations consultant, solely to provide advice to minimise adverse publicity following Discovery of a loss covered by this section of the Cover.

27 Public Utilities

Electricity, gas and water services.

28 Securities

Negotiable and non-negotiable instruments representing either Money or Property, but **does not** include Money.

29 Subsidiary

Any company in which **The Coverholder**:

- 1 holds directly or indirectly more than 50% of the voting rights, or
- 2 has the right to appoint or remove a majority of the board of directors, or
- 3 holds more than half of the issued share capital,

and where **The Coverholder** is a partnership, a company shall be a Subsidiary of the partnership where such holding or right is held for the benefit of the partnership.

30 Telecommunications System

A land line telephone system that is:

- a. owned or leased by **The Coverholder** and
- b. on the premises of **The Coverholder** and
- c. protected by a feature to prevent access to the system following a maximum of three unsuccessful attempts being made to use an access code, PIN, password or other similar code which is changed at regular intervals.

31 Terrorism

An act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of, Her Majesty's government in the United Kingdom or any other government de jure or de facto.

32 Third Party

Any person other than:

- 1 municipal member, official, partner, Member, departmental director or senior manager of the Covered,
- 2 any person who is, or acts on behalf of the Covered as any external auditor, accountant, broker, investment adviser or investment manager, factor, commission merchant, consignee or other similar agent or representative, or
- 3 any person who provides a service pursuant to and under a contract with the Covered.

33 Third Party Funds Transfer Fraud

The loss of the funds from an account maintained by **The Coverholder** at a financial institution (from which **The Coverholder** or their authorised representatives may request the transfer payment or delivery of funds) following fraudulent, electronic, telegraphic, cable, facsimile, teletype, telephone or written instructions to debit such account and to transfer, pay or deliver funds from such account and which instructions purport to have come from **The Coverholder**, but which are fraudulently transmitted or issued by a Third Party are a forgery or fraudulently altered by a Third Party.

Personal Accident Cover

THIS COVER **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE.

The Cover Provided

If during the Operative Time the Covered Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death or Disablement **The Mutual** will pay to the Covered Person the appropriate Benefit shown in the Schedule subject to the Maximum Incident Limit (and inner limits where applicable) as detailed below.

Maximum Incident Limit

The maximum amount **The Mutual** will pay under this section of the Cover and any other Cover of Personal Accident Cover issued by **The Mutual** in **The Coverholder's** name in respect of all losses and in respect of all Covered Persons arising out of one and the same Incident shall **not** exceed the Maximum Incident Limit of £5,000,000 subject to the following inner limits:

1 Aircraft Accumulation

| | |
|----------------------------------|------------|
| A) Multi-engined aircraft | £2,500,000 |
| B) Any other aircraft or airship | £1,000,000 |

Limit per Person

In connection with any Accident the maximum payable for any one Covered Person including any amount payable under the Extensions to this section will be:

| | |
|--------------------------|-----------------|
| A) under Benefits 1 to 4 | £100,000 |
| B) under Benefit 5 | £2,000 per week |
| C) under Benefit 6 | £1,000 per week |
| D) under Benefit 7 | £2,500 |

The duration of any one Incident shall be limited to 72 consecutive hours and no loss which occurs outside this period shall be included in that Incident.

Benefits

- 1 Death.
- 2 Loss of two or more Limbs or Loss of both Eyes or one of each.
- 3
 - A) Loss of one Limb or Loss of one Eye
 - B) Permanent total loss of speech
 - C) Permanent total loss of hearing:
 - i) in both ears
 - ii) in one ear 30% of Benefit 3C)i).
- 4 Permanent Total Disablement from the Covered Person's usual occupation in the Business.
- 5 Temporary Total Disablement from the Covered Person's usual occupation in the Business.

- 6 Temporary Partial Disablement from at least 50% of the Covered Person's usual occupation in the Business.
- 7 Accident Medical Expenses necessarily incurred in the treatment of the Covered Person.

Payment Period for Benefits 5 and 6

Benefits 5 and 6 are payable per week for a maximum of 104 weeks in all not necessarily consecutive.

Disablement Benefits 2 to 6 Operative Time

The Operative Time shown in the Schedule shall have the meanings as shown in the Definitions of Operative Times.

Conditions

- 1 Application of Benefits
 - A) **The Mutual will not** pay in respect of any one Covered Person in connection with the same Accident:
 - i) more than one of Benefits 1 to 4 and then,
 - ii) not more than the Limit per Person in respect of any claim payable under any of Benefits 1 to 7 and the Extensions to the Personal Accident Section.
 - B) Any Disablement under Benefits 2 to 4 of this Cover **must** be proved to the reasonable satisfaction of **The Mutual** to be permanent and without expectation of recovery before **The Mutual** will pay the Benefit.
 - C) **The Mutual** will pay any amount claimed for Benefits 5 or 6 in addition to any amount claimed under Benefits 1 to 4 in connection with the same Accident.
 - D) Where Benefits 5 and or 6 are claimed the amount payable per week **will not** exceed:
 - i) under Benefit 5 1/52nd of the Covered Person's Annual Salary; and
 - ii) under Benefit 6 40% of 1/52nd of the Covered Person's Annual Salary,
 regardless of the level of cover purchased.
 - E)
 - i) If Benefit 1 is not included for a Covered Person **The Mutual will not** pay for Loss of Limb or Eye or speech or hearing until at least thirteen weeks after the date of the Accident and **The Mutual** will only then pay if the Covered Person has not in the meantime died as a result of the Accident.
 - ii) If Benefit 1 is included but the amount payable thereunder is less than the amount for Loss of Limb or Eye or speech or hearing **The Mutual will not** pay more than the amount for Benefit 1 until at least thirteen weeks after the date of the Accident and **The Mutual** will only then pay the balance if the Covered Person has not died in the meantime as a result of the Accident.
- 2 **Assignment**

The Mutual will not be bound to accept or be affected by any trust, charge, lien, assignment or other dealing with or relating to this Cover.

3 Disappearance

In the event of the disappearance of a Covered Person if after a suitable period of time it is reasonable to believe that death has occurred as a result of bodily injury following an Accident Benefit 1 shall become payable subject to a signed undertaking by **The Coverholder** that if the belief is subsequently found to be wrong such amount shall be refunded to **The Mutual**.

4 Evidence Required

In connection with any claim:

- A) all medical certificates, reports, information and evidence required by **The Mutual** to substantiate that claim **must** be supplied at the Covered Person's own expense and in such form as **The Mutual** may reasonably require;
- B) the Covered Person **must** undergo a medical examination and provide medical evidence to **The Mutual** (at **The Mutual's** expense) as often as **The Mutual** may reasonably require following receipt of that claim; and
- C) no benefit shall be payable in respect of that claim where the Covered Person fails to undergo such medical examination or provide such medical evidence as referred to in (B) above.

5 Exposure

If a Covered Person suffers Death or Disablement as a result of exposure to the elements **The Mutual** will consider that as having been caused by bodily injury following an Accident.

6 Minors

If the Covered Person is under the age of 16, or aged 16 or 17 and is not one of the Covered's Employees:

- A) The amount for Benefit 1 will be limited to £10,000,
- B) Benefit 4 shall read Permanent Total Disablement from gainful employment of any and every kind,
- C) No amount will be payable under Benefit 5 or 6.

7 Non-Employees

If the Covered Person is not an Employee of **The Coverholder** Benefit 4 shall read Permanent Total Disablement from any gainful employment for which the Covered Person is fitted by way of training, education or experience.

Extensions

The following extensions shall be payable in addition to any benefit paid under the Personal Accident Benefits 1 to 7 of the section of this Cover, subject to the Maximum Incident limit (and inner limits where applicable) as detailed in this section of the Cover.

1 Coma Benefit

If during the Operative Time the Covered Person sustains bodily injury following an Accident which within 90 days is the sole and independent cause of the Covered Person being in a continuous unconscious state, **The Mutual** will pay £50 per full 24 hours up to a maximum of 52 weeks for any one Covered Person while they remain in a continuous unconscious state.

2 Disability Assistance

If during the Operative Time the Covered Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Disablement for which Benefit 2, 3 or 4 is paid, **The Mutual** will pay necessary expenses incurred

with **The Mutual's** prior written consent to make alterations to the Covered Person's home, car or usual place of work as a direct and necessary result of the Disablement suffered up to a maximum of £5,000.

3 Funeral Expenses

If during the Operative Time the Covered Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death, **The Mutual** will pay the necessary costs incurred with **The Mutual's** prior written consent for funeral expenses up to a maximum of £10,000 for any one Covered Person.

4 Hospitalisation

If during the Operative Time the Covered Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Covered Person being admitted to Hospital on the recommendation of a Medical Practitioner, **The Mutual** will pay £50 per full 24 hours up to a maximum of 52 weeks for any one Covered Person while they are a Hospital in-patient.

5 Retraining

If during the Operative Time the Covered Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Covered Person suffering Permanent Total Disablement from the Covered Person's usual occupation in the Business for which the benefit is paid, **The Mutual** will pay reasonable expenses incurred in retraining the Covered Person for an alternative occupation with **The Coverholder** up to a maximum of £5,000.

Exclusions

The Mutual will not pay any Benefit or amount under the Extensions to this section where bodily injury following an Accident is the result of or is contributed to by:

- 1 the Covered Person committing or attempting to commit suicide or as a result of self-inflicted injury;
- 2 A) illness or disease (not resulting from bodily injury following an Accident),
B) any naturally occurring condition or degenerative process,
C) any gradually operating process, or
D) post traumatic stress disorder or any psychological or psychiatric condition (not resulting from bodily injury following an Accident);
- 3 radioactive contamination (not resulting from bodily injury following an Accident);
- 4 the Covered Person engaging in flying of any kind other than as a passenger;
- 5 War in Britain or the Covered Person's normal country of residence;
- 6 Any Nuclear, Chemical or Biological Cause.

The Mutual will not pay any claim after the expiry of the Period Of Cover in which the Covered Person attains the age of 80 years.

Definitions

1 Accident

A sudden unexpected unforeseen and identifiable incident.

2 Aircraft Accumulation

All Covered Persons travelling in any aircraft or airship.

3 Annual Salary

The Covered Person's total annual remuneration **excluding** payments for overtime, commission or bonus (unless otherwise agreed in writing) payable by **The Coverholder** to the Covered Person at the date bodily injury following an Accident is sustained.

4 Assault

While the Covered Person is engaged upon duties incidental to the Business and as a direct result of assault other than by the explosion of any bomb or explosive device. Cover will also apply where the assault is a direct consequence of the Covered Person's employment with **The Coverholder**.

5 Britain

England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man.

6 Child

Any person who is:

- A) unmarried and dependent; and
- B) under 18 years of age or under 25 years of age if in full-time education.

7 Covered Person

You or any person or category of persons as detailed in the Schedule.

8 Deferment Period

The period of time at the commencement of a period of Temporary Total Disablement or Temporary Partial Disablement when no benefit is payable.

9 Disablement

Benefits 2 to 6.

10 Employee

municipal member, official, partner, Volunteer, departmental director or senior manager of the Covered.

11 Hospital

Any institution which meets fully every one of the following criteria:

- A) maintains permanent and full time facilities for the care of overnight resident patients; and
- B) has diagnostic and therapeutic facilities for the surgical and medical diagnosis, treatment and care of injured and sick persons by or under the supervision of a staff of Medical Practitioners; and
- C) continuously provides a 24 hours a day nursing service supervised by state registered nurses or by persons with equivalent qualifications; and

D) is not other than incidentally an institution which provides full time facilities for:

- i) mentally ill or mentally handicapped persons,
- ii) nursing or convalescing,
- iii) persons aged 70 years or more,
- iv) drug addicts,
- v) alcoholics.

12 Incident

All individual losses arising out of and directly occasioned by one sudden unexpected specific event occurring at an identifiable time and place.

13 Loss of Eye

Permanent and total loss of sight which will be considered as having occurred:

- A) in both eyes if the Covered Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist,
- B) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Covered Person should see at 60 feet).

14 Loss of Limb

- A) in the case of a leg: loss by permanent physical severance at or above the ankle or permanent and total loss of use of a complete foot or leg,
- B) in the case of an arm: loss by permanent physical severance of the four fingers at or above the metacarpophalangeal joints (where the fingers join the palm of the hand) or permanent and total loss of use of a complete arm or hand.

15 Medical Expenses

The cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a Medical Practitioner and all Hospital, nursing home and ambulance charges.

16 Medical Practitioner

Any legally qualified medical practitioner other than:

- A) an Covered Person,
- B) a member of the immediate family of an Covered Person,
- C) an Employee of **The Coverholder**.

17 Municipal Member

A currently serving elected member of the local municipal

18 Nuclear, Chemical or Biological Cause

Use of any nuclear weapon or device or the deliberate emission, discharge, dispersal, release or escape of any solid, liquid or gaseous chemical agent or Biological Agent.

Biological Agent shall mean any pathogenic micro-organism or biologically produced toxin(s) including genetically modified organisms and chemically synthesised toxins

19 Operative Times

The Operative Time as shown in the Schedule shall mean:

24 Hour Cover
at any time,

or

Occupational Accidents Only

- A) while engaged on the Covered Person's occupation in the Business or
- B) as a result of Assault or
- C) at any time while travelling on the Business of **The Coverholder**.

Cover operates from the departure of the Covered Person from their residence or normal place of Business (whichever occurs first) until arrival back at such residence or normal place of Business (whichever occurs last) at the end of the journey.

or

Occupational Accidents and Commuting Cover

- A) While engaged on the Covered Person's occupation in the Business or
- B) as a result of Assault or
- C) at any time while travelling on the Business of **The Coverholder**
- D) while in the course of daily travel between residence (normal or temporary) and place of Business (normal or temporary).

Cover operates from the departure of the Covered Person from their residence or normal place of Business (whichever occurs first) until arrival back at such residence or normal place of Business (whichever occurs last) at the end of the journey including Commuting.

20 Payment Period

The maximum amount of weeks in all for which Benefit 5 Temporary Total Disablement and Benefit 6 Temporary Partial Disablement are payable after the expiry of the Deferment Period, but not necessarily consecutive.

21 Period of Disablement

The number of weeks (not necessarily consecutive) Benefit 5 Temporary Total Disablement and Benefit 6 Temporary Partial Disablement are payable as a result of one Accident occurrence.

22 Terrorism

Any act including but not limited to the use of force or violence or 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 or to put the public or any section of the public in fear.

23 United Kingdom

England, Scotland, Wales and Northern Ireland.

24 War

War, invasion, act of foreign enemy hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Officials Liability Cover

THIS COVER **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE.

I. Officials Liability

A Officials Liability Covering Clauses

1 Officials Liability Cover

The Mutual shall indemnify the Covered Persons against any Loss incurred by the Covered Persons arising from a Claim that first arises during the Period of Cover,

provided that:

- a) such Claim is notified to **The Mutual** during the Period of Cover or any applicable Discovery Period; and
- b) the Local Municipal has not already provided an indemnity to that Covered Person in respect of such Loss.

2 Local Municipal Reimbursement Cover

The Mutual shall indemnify the Local Municipal against any Loss incurred by the Covered Persons arising from a Claim that first arises during the Period of Cover if and to the extent that the Local Municipal:

- a) is legally required and permitted to indemnify the relevant Covered Person; and
- b) has provided an indemnity to a Covered Person, in respect of such Loss,

provided that:

- i) such Claim is notified to **The Mutual** during the Period of Cover or any applicable Discovery Period; and
- ii) **The Mutual** shall **not** be liable to indemnify the Local Municipal in respect of such Loss and the Local Municipal shall be liable to pay any applicable Excess.

B Officials Liability Limit of Indemnity

The Mutual's liability under this Coverage Section shall **not** exceed the Limit of Indemnity specified in the Schedule,

provided that:

the amount of the Limit of Indemnity available under B. Officials Liability Limit of Indemnity to pay any judgements or settlements shall be inclusive of any applicable Defence Costs and the amount of any such Defence Costs shall correspondingly reduce the overall Limit of Indemnity.

C Officials Liability Extensions

The following coverage Extensions shall be provided under this Section I ("Officials Liability"),

provided that:

- a) the terms of sub-section A. ("Officials Liability Covering Clauses") above shall apply; and

- b) the maximum liability of **The Mutual** during the Period of Cover under each Extension shall, unless specified in the relevant Extension, be subject to the Limit of Indemnity as detailed in sub-section B. ("Officials Liability Limit of Indemnity") above:

1 Civil Fines and Penalties

The Mutual shall indemnify the Covered against any civil fine or penalty imposed upon a Covered Person by any regulator, disciplinary body, criminal authority, government body, government agency, official trade body or any other body that is empowered by statute to investigate the affairs of a Covered person, as a direct result of such person acting in their capacity as a Covered Person,

provided that this Extension shall **not** apply if and to the extent such civil fine or penalty is uninsurable under the laws or regulations of the relevant territory.

2 Compensation for Court Attendance

If any legal advisers acting on behalf of the Covered, with the consent of **The Mutual**, require any Officials of the Covered to attend any court tribunal, arbitration, adjudication, mediation or other hearing as a witness in connection with a Claim made against a Covered

Person that is the subject of the cover provided under this Officials Liability Cover **The Mutual** shall provide compensation to the Covered at the rate of £250 per person for each day on which such attendance is required,

provided that the maximum liability of **The Mutual** during the Period of Cover under this Extension shall be the single aggregate limit of £100,000.

3 Corporate Manslaughter

The Mutual shall indemnify the Covered against that part of any Loss comprising of Defence Costs incurred by a Covered Person,

provided that:

- a) such Defence Costs are incurred in respect of corporate manslaughter and Corporate Homicide Act 2007 (or other similar or equivalent criminal offence in any jurisdiction in which the Local Municipal operates), related criminal proceedings arising from any Wrongful Act or Investigation; and
- b) such Defence Costs shall **not** include costs relating to any publicity or remedial orders imposed by any court (or similar or equivalent judicial remedial or punitive measure imposed in any jurisdiction in which the Local Municipal operates).

4 Crisis Management & Regulatory Event Public Relations Costs

The Mutual shall indemnify the Covered against any fees, costs and Expenses reasonably and necessarily incurred by A Covered Person in employing the services of an external public relations consultant, crisis management firm or law firm for the sole purpose of providing guidance to a Covered Person in order to minimise or limit any adverse publicity in relation to the circumstances or events that could reasonably be considered as having the potential to give rise to a Probable Claim or Investigation,

provided that:

- a) **The Mutual** has given its prior written consent to incurring such costs and Expenses (such consent shall **not** be unreasonably denied, withheld or delayed); and
- b) the maximum liability of **The Mutual** during the Period of Cover under this Extension shall be the single aggregate limit of £100,000.

5 Employment Wrongful Acts

The Mutual shall indemnify the Covered Persons against any Loss incurred by a Covered Person arising from a Claim that first arises during the Period of Cover in respect of an Employment Wrongful Act,

provided that:

- a) such Claim is notified to **The Mutual** during the Period of Cover or any applicable Discovery Period; and
- b) **The Mutual** shall **not** be liable to indemnify the Local Municipal in respect of any applicable Excess.

6 Investigation Defence Costs

The Mutual shall indemnify the Covered against that part of any Loss which relates to Defence Costs incurred by a Covered Person in defending themselves in respect of any Investigation commenced by the filing of a notice of charge, formal investigative order, questionnaire or similar document,

provided that, The Mutual shall not be liable under this Extension for the cost of the Covered Person's time, or any costs, expenses, fees or overheads incurred by any Local Municipal, incurred in respect of that Investigation.

7 Loss of or damage to Documents

The Mutual shall pay on behalf of the Local Municipal or the Official all costs and expenses reasonably incurred by the Local Municipal or the Officials in replacing or restoring Documents

provided that:

- a) the maximum liability of **The Mutual** during the Period of Cover under this Extension shall be the single aggregate limit of £100,000; and
- b) such loss of or damage to Documents is first Discovered during the Period of Cover or any applicable Discovery Period; and
- c) where the Documents are in electronic format, the Covered can demonstrate to **The Mutual's** reasonable satisfaction that sufficient and proper procedures were in place for the security and daily back-up of the Documents; and
- d) **The Mutual** shall **not** be liable for any costs or expenses in respect of loss of or damage to Documents directly based on, arising out of or in any way involving:
 - i) the transmission or impact of any Virus; or
 - ii) unauthorised access to a Computer System

8 Mental Anguish or Emotional Distress

The Mutual shall indemnify the Covered against that part of any Loss which comprises Defence Costs incurred by an Covered Person in defending themselves in any Employment Wrongful Act related legal proceeding which arises in relation to any actual or alleged mental anguish or emotional distress suffered by any past, present or prospective employee or non-executive Officials of the Local Municipal as a result of that Covered Person acting in their capacity as an Official.

9 Pollution

The Mutual shall indemnify the Covered Persons against Loss incurred by the Covered in defending themselves against criminal or regulatory proceedings in respect of Pollution which results from a Wrongful Act provided that this Extension shall not apply to or in respect of any Claim arising in or in relation to the USA.

10 Retired and Former Officials

- a) If any Covered Person Retires as an Official of the Local Municipal prior to the expiry of the Period of Cover such Covered Person shall

be entitled to a free Discovery Period for a period of 72 months after the expiry of the Period of Cover,

provided that this Discovery Period shall **not** apply where:

- i. **The Coverholder** or the Covered Person renews or replaces this Officials Liability Cover (whether with **The Mutual** or otherwise); or
 - ii. a Discovery Period has been activated in accordance with Cover Condition C. ("Discovery Period"), of this Officials Liability Cover;
- b. If any Covered Person ceases to be an Official of the Local Municipal during the Period of Cover for reasons other than Retirement such Covered Person shall be entitled to a free Discovery Period of 180 calendar days after the expiry of the Period of Cover

provided that this Discovery Period shall **not** apply where:

- i. the Covered Person has ceased to be an Official of the Local Municipal as a result or consequence of:
 - 1. disqualification from holding the office of an Official;
 - 2. the acquisition, Merger or winding up of **The Coverholder** as detailed under Cover Condition J. Transactions Changing Coverage; or
 - 3. **The Coverholder** becoming insolvent or being wound up,
- ii. **The Coverholder** or the Covered renews or replaces this Officials Liability Cover (whether with **The Mutual** or otherwise); or
- iii. a Discovery Period has been activated in accordance with Cover Condition C. ("Discovery Period") of this Officials Liability Cover.

provided that:

- i) all terms and conditions of this Officials Liability Cover (including, without limitation, the Excess) applicable to any Loss incurred by such Covered Person in the Claim shall also apply to such Spousal Loss; and
- ii) this Extension shall **not** apply if and to the extent that the Claim alleges any Wrongful Act or omission by the Covered Person's Spouse.

11 Spouses

If a Claim against a Covered Person includes a Claim against the Covered Person's Spouse solely by reason of

- a) Such Spouse's legal status as a Spouse of the Covered Person or
- b) such Spouse's ownership interest in property which the claimant seeks as recovery for Claims made against the Covered Person

any Loss which such Spouse becomes legally obliged to pay by reason of such Claim shall be treated for the purposes of this Officials Liability Cover as Loss which the Covered Person is legally obliged to pay on account of the Claims made against the Covered Person

provided that:

- i) all terms and conditions of this Officials Liability Cover (including, without limitation, the Excess) applicable to any Loss incurred by such Covered Person in the Claim shall also apply to such Spousal Loss; and
- ii) this Extension shall **not** apply if and to the extent that the Claim alleges any Wrongful Act or omission by the Covered Person's Spouse

II. Employment Practices Liability

THIS COVER **DOES NOT** APPLY IF SHOWN AS NOT COVERED IN THE SCHEDULE.

A Employment Practices Liability Cover Clause

The Mutual shall indemnify the Local Municipal against any Loss incurred by the Local Municipal arising from a Claim that first arises during the Period of Cover as a result of any Employment Wrongful Act,

provided that such Claim is brought against the Local Municipal by:

- 1 an Employee or prospective Employee;
- 2 a partner or prospective partner of the Covered;
- 3 a non-executive director or officer or prospective director, prospective non-executive director or prospective officer of any Local Municipal;
- 4 a natural person at work (whether self employed or employed by an organisation other than the Local Municipal), *provided that* such natural person is providing services to the Local Municipal on premises owned and occupied by the Local Municipal; or
- 5 where such Claim is in respect of an Investigation; Equality and Human Rights Commission (EHRC) 2010 or any other officially recognised regulatory, professional, or trade body, or any similar or equivalent body.

B Employment Practices Limit of Indemnity

The Mutual's liability under this Coverage Section shall **not** exceed the Limit of Indemnity,

provided that;

where **The Mutual** is liable to indemnify more than one person, firm, company or body the total amount of indemnity payable under this Officials Liability Cover shall **not** exceed the Limit of Indemnity.

C Employment Practices Liability Extensions

The following coverage Extensions shall be provided under this Section II ("Employment Practices Liability"),

provided that:

- a) the terms of sub-section A. ("Employment Practices Liability Covering Clause") above shall apply; and
- b) the maximum liability of **The Mutual** during the Period of Cover under each Extension shall, unless specified in the relevant Extension, be subject to the Limit of Indemnity as detailed in sub-section B. ("Employment Practices Liability Limit of Liability") above:

1 Employment Practices Excess Waiver

No Excess shall apply under this Cover with respect to any Claim in connection with II. Employment Practices Liability

provided that;

- a) the Local Municipal has a formal written grievance procedure in place; and
- b) for any dispute which is the subject of a Loss, the Local Municipal is able to demonstrate they have followed the ACAS statutory Code of Practice on disciplinary and grievance procedures from the date the Local Municipal's formal written grievance procedure is first invoked.

D Employment Practices Liability Exclusions

1 Exclusions applicable to all types of Loss

The Mutual shall **not** be liable to indemnify the Local Municipal against any Employment Wrongful Act related Loss which arises directly or indirectly based on, arising out of or in any way involving:

a) USA Claims

any Claim arising in or in relation to the USA;

b) Pension Trustee Liability

the trusteeship or administration by an Covered of any pension, profit share or other employee benefit programme or a Covered Person acting in a fiduciary capacity in respect thereof including, but not limited to, any obligation incurred under the Pensions Act 1995, Pensions Act 2004 or Pensions Act 2014 or for any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (USA) or any regulations promulgated there or within any similar or equivalent law or regulation.

c) Strikes, Collective Redundancies, Labour Disputes

any Claim incurred as a result of strikes, obligations to consult representatives and employees in relation to collective redundancies, lockouts, trade union disputes, labour disputes or negotiations or other similar actions (including, but not limited to, disputes in respect of recognition); or

d) Violation of Health & Safety, Workers' Compensation or Similar Law

any actual or alleged violation of the responsibilities, obligations or duties imposed by any law governing health and safety, workers' compensation, unemployment Cover, social security, disability benefits or similar law,

provided that Exclusions D.1.(c), and D.1.(d) above shall **not** apply, and cover shall be provided under Clause II . A. ("Employment Practices Liability Cover Clause") above if and to the extent that a Claim relates to any actual or alleged Retaliatory treatment of the claimant by the Local Municipal arising from the claimant's exercise of rights in accordance with any of the regulations or activities set out in Exclusion D.1.(c) above.

2 **Exclusions Applicable to all types of Loss, other than Defence Costs**

The Mutual shall **not** be liable to indemnify the Local Municipal against any Employment Wrongful Act related Loss which is directly or indirectly based on, arising out of or in any way involving:

a) Accommodation for Disabled Persons

any costs incurred by the Local Municipal to make any accommodation for any disabled person in respect of working practices or otherwise;

b) Breach of Employment Contract, Breach of Minimum Wage Legislation for Benefits Due to Employees

any liability for:

- i) payment of wages or any other form of payment due under a contract of employment or otherwise, (including, but not limited to, compensation payable in respect of contractual or statutory notice periods and contractual

or

statutory payments due on redundancy) or liability for awards of damages for breach of, or for the payment of a debt under, an Employee's contract of employment, *provided that* this Exclusion

(i) shall **not** apply if and to the extent that any breach of an Employee's contract of employment relates to a breach of any disciplinary or grievance procedures or equal opportunities Cover;

- ii) repayment of deductions wrongfully made from salary, wages or Benefits or from any other form of payment due under the contract of employment;

- iii) breach of any obligation in accordance with any minimum wage legislation, save that this Exclusion shall **not** apply, and cover shall be provided under Clause A. ("Employment Practices Liability Cover Clause") above, where a Claim relates to any actual or alleged Retaliation in connection with such breach; or

- iv) payment of Benefits due to an Employee from the Covered or otherwise or to become due or the equivalent value of such Benefits,

provided that the Exclusions set out in (a) and (b) above shall **not** apply if and to the extent that Defence Costs form part of such Employment Wrongful Act related Loss.

Officials Liability Cover Exclusions

A Exclusions applicable to all Clauses

The Mutual shall **not** be liable to indemnify the Covered against any Loss which arises:

1) Bodily Injury/Property Damage

for any bodily injury, mental anguish or emotional distress, illness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof,

provided that;

- a) this Exclusion shall **not** apply to bodily injury in respect of that element of Loss for Covered Persons comprising Defence Costs otherwise covered under Claims Condition B. ("Allocation") unless and until such time as that Covered has been found by way of any judgment or other final adjudication to have committed such act of dishonesty or fraud; and
- b) **The Mutual** reserves its right to reduce liability under this Officials Liability Cover by an amount that fairly represents the extent to which **The Mutual's** interests have been prejudiced by **The Coverholder's** act or omission to have placed or in force valid and collectable valid and collectable Employers Liability and Third Party Liability Cover; and
- c) Loss has not been declined, refused, exhausted under a valid and collectable Property Damage, Employers Liability and Third Party Liability Cover;

2) Fraud or Dishonesty

directly or indirectly based on, arising out of, or in any way involving any act of dishonesty or fraud found by way of any judgment or other final adjudication to have been committed by any Covered,

provided that this Exclusion shall **not** apply in respect of that element of Loss comprising Defence Costs otherwise

covered under Claims Condition B. ("Allocation") unless and until such time as that Covered has been found by way of any judgment or other final adjudication to have committed such act of dishonesty or fraud;

3) Illegal Profit or Advantage

directly or indirectly based on, arising out of, or in any way involving any Covered being found by way of judgment or other final adjudication to have gained any profit or advantage or to have received any remuneration to which that Covered was not legally entitled,

provided that this Exclusion shall **not** apply in respect of that element of Loss comprising Defence Costs otherwise covered under Claims Condition B. ("Allocation") unless and until such time as that Covered has been found by way of any judgment or other final adjudication to have gained any profit or advantage or to have received any remuneration to which that Covered was not legally entitled;

4) Prior Knowledge of Fact, Circumstance or Situation

directly or indirectly based on, arising out of, or in any way involving any fact, Circumstance or situation:

- a) which has been or should have been the subject of any written notice given under any contract of Cover of which this Officials Liability Cover is a direct or indirect renewal or replacement; or
- b) alleged in, relating to or underlying any written demand for monetary damages or other relief or any civil, criminal or administrative or regulatory proceeding (including arbitration) pending on or prior to the Original Inception Date;

B Severability of Exclusions

No fact pertaining to or knowledge possessed by any Covered shall be imputed to any other Covered for the purposes of applying any of the Exclusions set out in sub-section A. ("Exclusions applicable to all Insuring Clauses") above

Officials Liability Cover Conditions

A Authorisation Clause

The Coverholder shall act on behalf of all Covered with respect to:

- a) the giving and receiving of notice of any Claim or Circumstance;
- b) the payment of contributions and the receiving of any return contributions that may become due under this Officials Liability Cover;
- c) the negotiation, agreement to and acceptance of endorsements to this Officials Liability Cover; and
- d) the giving or receiving of any notice provided for in this Officials Liability Cover except the giving of notice to apply for any Discovery Period which extends to include Covered Persons.

B Defence Costs

Defence Costs incurred by **The Mutual**, or by the Covered with the written consent of **The Mutual** shall form part of and shall **not** be in addition to the applicable Limit of Indemnity and the payment by **The Mutual** of any such Defence Costs shall correspondingly reduce such Limit of Indemnity.

C Discovery Period

- a) The Covered Persons or **The Mutual** shall be entitled to elect a Discovery Period on the terms set out below if:
 - i) **The Mutual** declines to offer any terms for renewal of this Officials Liability Cover; or
 - ii) **The Coverholder** makes a specific written request to **The Mutual** for such Discovery Period, which is accepted by **The Mutual**.
- b) Subject to (c) below, the terms of the Discovery Period shall be 12 months for fifty per cent (50%) of the Full Annual Contribution payable in respect of this Officials Liability Cover.
- c) Options to purchase a Discovery Period of up to 72 months may be available but shall be at **The Mutual's** sole and absolute discretion.
- d) The application to elect any Discovery Period shall be given to **The Mutual** within 30 calendar days of the expiry of the Period of Cover, and payment of the requisite contribution, if applicable, in respect of that Discovery Period shall be made within 30 calendar days of the expiry of the Period of Cover (such contribution being non-refundable). Any time delay between the expiry of the Period of Cover and the election of any Discovery Period shall form part of and shall **not** be in addition to the Discovery Period elected.
- e) If a Merger or administration takes place, **The Coverholder** shall **not** be entitled to purchase a Discovery Period on the terms set out in this Extension, however within 30 calendar days of the expiry of the Period of Cover **The Coverholder** may request a quotation from **The Mutual** for a Discovery Period. **The Mutual** shall consider such request and may, at its sole and absolute discretion, offer

a Discovery Period on such terms as **The Mutual** may consider appropriate.

- f) At any time during:
 - i) the 30 calendar day application period referred to in (d) above; and
 - ii) the Discovery Period,

(and without prejudice to Officials Liability Cover. Claims Condition A.2. ("Claims Notification")) **The Coverholder** and the Covered Persons shall be entitled to continue to notify Claims and Circumstances to **The Mutual** but only in respect of Wrongful Acts committed prior to the expiry of the Period of Cover. Any such Claim or Circumstance so notified to **The Mutual** during the Discovery Period shall be deemed to have been notified during the Period of Cover.
- g) If the Covered Persons or **The Coverholder** elect a Discovery Period then upon expiry of such Discovery Period no further Discovery Period will be available under this Cover (except as provided for under I. Officials Liability C. Officials Extensions 12. Retired & Former Officials)
- h) The purchase by the Covered of any Discovery Period shall **not** increase or reinstate the applicable Limit of Indemnity (which shall continue be **The Mutual's** maximum liability for the Period of Cover and Discovery Period combined).

D Dispute Resolution

Subject to Claims Condition B ("Allocation") and Claims Condition D ("Disputes as to Contesting Legal Proceedings") of this Officials Liability Cover, any dispute arising in respect of this Officials Liability Cover, or any obligations, whether contractual or non-contractual, arising out of or in respect of it, shall be subject to the exclusive jurisdiction of the courts of England and Wales.

E Interpretation of Legal References

Any legal references within this Officials Liability Cover shall include any equivalent legal provision in the jurisdiction of the ordinary residence or location of the risk Covered, *provided that* such jurisdiction falls within the territorial scope of this Officials Liability Cover.

F Partial Invalidity

If any provision of this Officials Liability Cover is, or becomes, invalid or unenforceable in accordance with the law to which this Officials Liability Cover is subject, such provision shall be deemed to be deleted and all other terms and conditions of this Officials Liability Cover shall remain in full force and effect.

G Severability

No fact relating to, or statement of, or knowledge possessed by, any Covered Person shall be imputed to any other Covered Person for the purpose of determining the availability of cover under this Officials Liability Cover,

provided that no cover shall be provided under this Officials Liability Cover in respect of:

- a) any Covered Person who knew of such misrepresentation or non-disclosure; or
- b) the Local Municipal where the Local Municipal has a requirement, legally or otherwise, to indemnify any Covered Person with knowledge of such misrepresentation or non-disclosure.

H Retention/Excess

- a) **The Mutual's** liability under this Officials Liability Cover for any Loss arising from:
- i) any single Claim; and
 - ii) any and all Related Claims,
- shall apply only to that part of such Loss which is excess of the applicable Excess.
- b) The Covered shall bear at their own risk the amount of any applicable Excess in respect of:
- i) each and every Claim; and
 - ii) any Related Claim.
- c) If the Local Municipal is permitted or required to indemnify any Covered Persons in respect of any Loss suffered by them but fails to do so, **The Mutual** shall pay such Loss directly to that Covered Person on behalf of the Local Municipal, *provided that* the Local Municipal shall be liable to pay any applicable Excess.
- d) In respect of I. Officials Liability and III. Corporate Liability any Excess borne by a Covered in respect of any Claim shall be reimbursed by **The Mutual** if final judgment or adjudication is given in favour of an Covered by a court or tribunal of competent jurisdiction. For the purposes of this condition, final judgment or adjudication shall only be adjudged to have been given when all rights of appeal to higher courts or tribunals have been foregone or exhausted.
- e) Any Excess shall **not** form part of the Limit of Indemnity and it shall be payable by the Covered before the application of the Limit of Indemnity.

I Territory

Unless otherwise endorsed, the Cover provided under this Officials Liability Cover shall be limited to the UK

J Transactions Changing Coverage

1) Acquisition, Merger or Winding Up of The Coverholder

Unless otherwise agreed in writing by **The Mutual** (at its sole and absolute discretion), this Officials Liability Cover shall terminate for all Covered upon:

- a) the acquisition of **The Coverholder** entire issued share capital or of all or substantially all of **The Coverholder** assets, by another entity, or the Merger or consolidation of **The Coverholder** into or with another entity such that **The Coverholder** are not the surviving entity;
- b) the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate at least 50% of **The Coverholder** Officials;
- c) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, supervisor, trustee or other similar insolvency appointee or fiduciary to **The Coverholder**; or
- d) the winding-up of **The Coverholder** (but not, for this purpose, any Subsidiary).

Following the termination of this Officials Liability Cover pursuant to the above, **The Coverholder** shall be entitled to continue to notify Circumstances and Claims that first arise prior to the termination of the Officials Liability Cover (or any applicable Discovery Period),

provided that:

- i) cover shall only apply to any Loss or that part of any Loss that arises as a direct result of a Wrongful Act occurring prior to the termination of this Officials Liability Cover; and
- ii) this Officials Liability Cover has not been replaced by a similar Cover of Cover issued by **The Mutual** or by another insurer irrespective of whether such other Cover provides cover for loss sustained prior to the effective date of that similar Cover of Cover.

2) Disposal or Winding Up of Subsidiary Companies

Unless otherwise agreed in writing by **The Mutual**, this Officials Liability Cover shall terminate for a Subsidiary upon;

- a) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, supervisor, trustee, or other similar insolvency appointee or fiduciary in respect of such Subsidiary; or
- b) falling outside of the definition of Subsidiary.

Following the termination of this Officials Liability Cover pursuant to the above, **The Coverholder** shall be entitled to continue to notify Circumstances and Claims that first arise prior to the termination of the Officials Liability Cover,

provided that cover shall only apply to any Loss or that part of any Loss that arises as a direct result of a Wrongful Act occurring prior to the termination of this Officials Liability Cover.

Officials Liability Cover Claims Conditions

A Claims Notification

In order for Claims to be accepted and paid under this Officials Liability Cover the Local Municipal **must** comply with this Condition.

- 1) **The Coverholder must** immediately give written notice to **The Mutual** as soon as possible after **The Coverholder** receive notice of any Claim, or a Claim has been first made or **The Coverholder** become aware of any Circumstances,

provided that, notwithstanding the above, such written notice shall be given to **The Mutual**:
 - a) during the Period of Cover (or any applicable Discovery Period); or
 - b) within 60 calendar days for Claims made to the Covered that have not been notified to **The Mutual** for the Period of Cover immediately prior to expiry (**excluding** any Discovery Period).
 - c) **The Mutual will not** make any payment unless notification is made in accordance with this section.
- 2) If **The Coverholder** fails, **The Coverholder does not** exist as an entity or refuses to give notice under Claims Condition A.1 above an Official shall be entitled to give written notice of a Claim directly to **The Mutual** *provided that* all other terms and conditions of Claims Condition A.1 shall otherwise apply.

- 3) Notification of any Claim or Circumstance pursuant to Claims Conditions A.

Each notification shall so far as possible provide full details of the Claim or Circumstance including, but not limited to:

- a) the identity of the claimant or potential claimant;
 - b) the nature of the Claim;
 - c) the likely quantum of the Claim; and
 - d) **The Coverholder's** preliminary views (and those of the Covered) on the merits of such Claim and **The Coverholder** shall provide **The Mutual** with such further information and documentation (where appropriate documentation includes evidence of invoices, receipts, proof of payments and the like) as it may reasonably require.
- 4) Any Claim arising from any notification of Circumstances shall be deemed to have been made in the Period of Cover (including any applicable Discovery Period) in which the Circumstances were first notified to **The Mutual**.
 - 5) If the terms of this Condition have not been complied with, and as a direct consequence, the amount for which **The Mutual** is liable under this Officials Liability Cover has

increased, then no payment shall be made by **The Mutual** in respect of the amount of such increase.

B Allocation

- 1) If and to the extent that an Covered incurs both a Loss (or part thereof) Covered by this Officials Liability Cover and a Loss (or part thereof) not Covered by this Officials Liability Cover (either because a Claim is made against both Covered Persons and the Local Municipal or because a Claim includes both a Loss which is Covered and a Loss that is not) **The Mutual** shall negotiate in good faith with the Covered to determine a fair and reasonable allocation of the Covered and not covered Loss taking into account the relative legal exposures of **The Mutual** and the Covered with respect to the Covered and uncovered Loss.

Whilst such Claim referred to above is ongoing **The Mutual** shall advance all Defence Costs to any Covered Persons whilst they are named in any legal action or Investigation,

provided that such Defence Costs shall **not** be included in any allocation of the Covered Loss.

- 2) If the Covered and **The Mutual** cannot agree on an 'Covered vs. uncovered' allocation in respect of Loss, the Covered and **The Mutual** shall submit the issue of allocation to a Queen's Counsel. The identity of the Queen's Counsel shall be agreed between the parties and failing agreement within 30 calendar days of one party receiving written notice of a nomination being made by the other party, shall be chosen by the Chairman for the time being of the Bar Municipal whose decision shall be binding on **The Mutual** and the Covered. The Queen's Counsel shall be directed to apportion all costs of the determination between **The Mutual** and the Covered as the Queen's Counsel so determines.
- 3) All references to Queen's Counsel and Chairman of the Bar Municipal include, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status or equivalent appointee.

C Defence and Cooperation

- 1) **The Mutual** shall have the right (but is not obliged or required) to:
 - a) conduct, in the name of the Covered, the defence and settlement of any Claim Covered, either in whole or in part, under this Officials Liability Cover; and
 - b) appoint lawyers or other representatives for this purpose (even if any of the allegations against the Covered are groundless, false or fraudulent),

provided that **The Mutual's** right to conduct such defence or appoint such lawyer or other representatives shall cease upon exhaustion of the Limit of Indemnity.

- 2) With respect to any Claim or Circumstance notified under this Officials Liability Cover:
 - a) the Covered Person and **Coverholder** shall execute all papers required and shall do everything necessary to defend such Claim and provide **The Mutual** with all information, documentation, assistance and co-operation as **The Mutual** may reasonably request; and

- b) **The Mutual** shall advance to the relevant Covered Person the amount of any Defence Costs in excess of any applicable Excess,

provided that if and to the extent it is finally established or determined that such Defence Costs (or any part thereof) are not Covered under this Officials Liability Cover, those Covered, severally according to their respective interests under this Officials Liability Cover, shall repay such Defence Costs to **The Mutual** that are not covered .

- 3) Those Covered shall **not** settle or offer to settle any Claim, incur any Defence Costs or otherwise assume any contractual obligation or admit any liability with respect to any Claim, without **The Mutual** express prior written consent (such consent shall **not** be unreasonably denied, withheld or delayed). **The Mutual** shall **not** be liable for, and any applicable Excess shall **not** be depleted or exhausted by any settlement, Loss or Defence Costs, assumed obligation or admission to which **The Mutual** has not provided its express prior written consent (such consent shall **not** be unreasonably denied, withheld or delayed).
- 4) **If a Claim arises the Covered** shall:
- a) do nothing that prejudices **The Mutual's** position or its potential or actual rights of recovery in respect of that Claim; and
 - b) at all times use reasonable endeavours to do, and concur in doing, all such things as are reasonably practicable to avoid or diminish any Loss that may arise in respect of that Claim and assist with the defence or settlement of any Claim.

The Mutual shall be entitled to undertake any investigation it deems necessary in respect of such Claim.

For the purposes of (b) above, "reasonable endeavors" in this context shall include, but not be limited to, the self-reporting to any regulator an actual or suspected material breach of a Local Municipal's or a Covered Person's legal or regulatory duties where the Local Municipal or Covered Person is required to give notice of such an actual or potential breach,

provided that:

- i) the cost incurred by the Covered in taking any such steps shall constitute Defence Costs; and
- ii) any self-reporting shall **not** constitute an admission of liability on the part of the Covered with regard to any Claim.

D Disputes as to Contesting Legal Proceedings

- 1) In the event of any disagreement arising between **The Mutual** and a Covered Person as to whether or not to contest or settle any legal proceedings or proceed with any appeal of a decision of a Court, the issue shall be remitted to a Queen's Counsel whose decision on the probability of successfully defending the Claim or the acceptability of

the proposed terms of settlement or the probability of succeeding on appeal shall be final and **The Mutual** and the Covered Person shall be bound by that decision.

- 2) The identity of such Queen's Counsel referred to in Claims Condition D.1 above shall be agreed by **The Mutual** and **The Coverholder** or, failing such agreement within 30 calendar days of one party receiving written notice of a nomination being made by the other party, by the Chairman for the time being of the Bar Council.
- 3) The costs and expenses of the Queen's Counsel referred to in Claims Conditions D.1 and D.2 above shall be deemed to form part of the Defence Costs.
- 4) All references in this Claims Condition D to Queen's Counsel and Chairman of the Bar Council include, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status or equivalent appointee.

E Other Alternative Cover

The Cover provided under this Officials Liability Cover shall only apply in excess of the cover and limits of any alternative valid and collectible contract of cover providing cover to the relevant parties (including, but not limited to, any cover which is stated to be primary, contributory excess, contingent or otherwise), unless such other contract of Cover and the cover and limits stated therein is specifically stated to operate in excess of this Officials Liability Cover.

If at the time of any Loss that is Covered under this Officials Liability Cover there is any other cover effected by or on behalf of any Covered that covers the same Loss, the liability of **The Mutual** under this Officials Liability Cover to indemnify the Covered in respect of such Loss shall be limited to the Covered's ratable portion (as between this Officials Liability Cover and such other contract of Cover) of such Loss, subject always to the Limit of Indemnity and any applicable coverage Extensions.

Any Loss which is covered partly by this Officials Liability Cover and partly by another contract of Cover (including any contract of Cover of which this Officials Liability Cover is a renewal) issued by **The Mutual** to the Covered for which any previous applicable Discovery Period has not expired, shall be limited to the *larger amount* and *broader cover* of:

- a) that provided under such previous contract of Cover; and
- b) this Officials Liability Cover,

and shall **not** be cumulative.

F Related Claims

For the purposes of the cover provided under this Officials Liability Cover all Related Claims shall be deemed to be one Claim, and such Claim shall be deemed to have first arisen on the date the earliest of such Related Claims first arises, regardless of whether such date is before or during the Period of Cover (or any applicable Discovery Period).

Officials Liability Cover Definitions

1 Definitions

When used in this Officials Liability Cover:

A Benefits

perquisites, fringe benefits, amounts due or payments made in connection with an employee benefit plan or pension scheme, share or stock options or any other right to purchase, acquire or sell shares or stock, and any other obligation or payment, made to or for the benefit of an Employee other than salary (including bonus) or wages.

B Circumstance

means an incident, occurrence, fact, matter, act or omission which might reasonably be considered to give rise to a Claim.

C Claim

- 1) service of a Claim Form, counterclaim, Related Claim, Application Notice, Notice of Appeal, Witness Summons or similar legal document (including an application for any related injunction) served upon any Covered in respect of a Wrongful Act;
- 2) any arbitration proceeding or request to nominate an arbitrator served upon any Covered in respect of a Wrongful Act;
- 3) any written communication (including electronic communications), whether or not containing a demand for compensation or damages, received by any Covered threatening commencement of proceedings in respect of a Wrongful Act, and any written demand against any Covered Person for monetary damages, reinstatement or other non-monetary relief;
- 4) any criminal prosecution of a Covered Person resulting from a Wrongful Act;
- 5) any notice of an Investigation commenced by the filing of a notice of charge, formal investigative order, questionnaire or similar document:
 - a) into the affairs of the Local Municipal and where a Covered Person is required to attend or give evidence; or
 - b) involving a Wrongful Act alleged to have been committed by a Covered Person or in respect of which a Covered Person is required to attend or give evidence by reason of that Covered Person acting in their capacity as an Official,

and
- 6) any proceedings brought against any Covered Person during the Period of Cover by any Official Body seeking:
 - a) extradition of a Covered Person where the allegations from which the extradition proceedings result arise from a Wrongful Act by reason of that Covered Person acting in their capacity as an Official;
 - b) confiscation, assumption or ownership and control, suspension or freezing of rights of ownership of real property or personal assets of any Covered Person;

G Subrogation and Recoveries

- 1) If any payment is made by **The Mutual** to a Covered pursuant to this Officials Liability Cover in respect of any Loss:
 - a) **The Mutual** shall, to the extent of such payment, be subrogated to all the Covered's rights of recovery in respect of such Loss; and
 - b) those Covered shall do everything reasonably necessary to secure and preserve such rights of recovery referred to in (a) above (including, but not limited to, the execution of such documents as are necessary to enable **The Mutual** to bring proceedings or otherwise exercise its rights of subrogation in the name of the Covered).
- 2) Notwithstanding Claims Condition G.1 above, **The Mutual** shall **not** be entitled to exercise its rights of subrogation against a Covered Person unless such Covered Person has been fraudulent, committed a criminal act or obtained any profit or advantage to which such Covered Person was not legally entitled.
- 3) Any and all recoveries obtained by those Covered from any other party in respect of any Loss Covered under this Officials Liability Cover shall be allocated, after the settlement of any Claim, from the top down in respect of such Loss as follows:
 - a) *firstly*, to the benefit of those Covered to reduce or extinguish the amount of the Covered Person's Loss if and to the extent that such Loss would have been paid under this Officials Liability Cover but for the fact that the amount of such Loss exceeds the Limit of Indemnity together with any applicable Excess;
 - b) *secondly*, to the benefit of **The Mutual** for all sums paid in settlement of any Loss arising under this Officials Liability Cover; and
 - c) *thirdly*, to the benefit of the Cover Person for the amount of any applicable Excess,

provided that:

 - i) such allocation shall only apply after the deduction by the relevant party of the reasonable costs incurred by them (or on their behalf) in obtaining such recovery; and
 - ii) any and all recoveries made prior to settlement of any Claim shall be held for the benefit of **The Mutual** and only be so allocated after that Claim has been settled (if applicable).

- c) a charge over real property or personal assets of such Covered Person;
- d) a temporary or permanent prohibition on such Covered Person holding the office or performing the function of an Official of the Local Municipal;
- e) restriction of such Covered Person's liberty to a specified domestic residence or an Official Detention; or
- f) deportation of an Covered Person following revocation of otherwise proper, current and valid immigration status for any reason *other than* an Covered Person's conviction of a crime,

provided that any Claim is first made against, or received by, an Covered Person during the Period of Cover.

D Computer System

Any Local Municipal computer network, software programmes or similar electronic social media content for which the Local Municipal is responsible .

E Coverage Section

the terms and conditions relating to each of I. Officials Liability, II. Employment Practices Liability, III Corporate Liability

F Covered

- 1) the Covered Persons;
- 2) the Local Municipal; or
- 3) **The Coverholder**,

declared to **The Mutual** prior to the commencement of the Period of Cover.

G Covered Persons

- 1) any natural person who was, is, or becomes during the Period of Cover, an Official or manager;
- 2) any natural person falling within the definition of covered who is incompetent, incapacitated, bankrupt or deceased and against whose estates, heirs, executives or other legal representatives claims are being pursued which would, absent such incompetence, incapacity, bankruptcy or death be covered by the Officials Liability Cover; and
- 3) in connection with Employment Wrongful Acts only, any Employee of the Local Municipal or any natural person (whether self-employed or employed by an entity other than the Local Municipal) who is contracted to and supervised by the Local Municipal,

provided that:

- a) the contract between that Employee of the Local Municipal or natural person and the Local Municipal provides for the Local Municipal to indemnify that Employee or natural person in respect of any Claim and the Local Municipal has agreed to do so; and

The Mutual has agreed (at its sole and absolute discretion) to provide such cover and each such Employee or natural person is added to the Cover Schedule by written endorsement

H Defence Costs

That part of a Loss consisting of any costs, charges and fees (including, but not limited to, lawyers' and agents' fees and expenses) incurred by **The Mutual** or reasonably and necessarily incurred by the Covered:

- 1) in defending, investigating or settling any Claim or assisting **The Mutual** in investigating, defending or settling any Claim (including the amount of any contributions paid for any Cover instruments or bonds which may be required in certain jurisdictions to institute an appeal or enter a Court appearance);
- 2) in respect of the attendance or giving of evidence by any Covered Person at any Investigation into the affairs of the Local Municipal;
- 3) in respect of any Investigation involving a Wrongful Act alleged to have been committed by any Covered Person or relating to which any Covered Person is required to attend or give evidence by reason of them acting in their capacity as an Official; or
- 4) in respect of an Employment Wrongful Act Defence Costs shall extend to include Preliminary Hearings where a Claim is Probable,

provided that Defence Costs shall **not** include any regular or overtime wages, salaries, fees or benefits of the Officials or Employees of the Local Municipal.

I Discovery Period

The period immediately following the expiry of the Period of Cover during which **The Coverholder** shall be entitled to continue to notify Claims or Circumstances pursuant to the terms of:

- 1) Cover Condition C. ("Discovery Period"); or
- 2) Officials Liability Extension C.10 ("Retired and Former Trustees"), (each as applicable) of this Officials Liability Cover.

J Documents:

documents (excluding bearer bonds, coupons, bank or currency notes or other negotiable instruments); or

computer systems records the property of the Covered or for which the Covered is legally responsible.

K Employee

any natural person who was, or is, or becomes during the Period of Cover:

- 1) an employee (which shall include trainees, casual, part-time, seasonal, temporary, voluntary and work experience personnel) of the Local Municipal whilst acting in such capacity; or
- 2) seconded to the Local Municipal and acting in such capacity.
- 3) municipal member, official, partner, Volunteer, departmental director or senior manager of the Covered

L Employment Wrongful Act

Any error, misstatement, misleading statement, act, omission, neglect or breach of duty committed by any one or more Covered Persons in their capacities as such against any past, present or prospective Employee, Official or partner of **The Coverholder**, in connection with any:

- 1) wrongful, unlawful or unfair dismissal, discharge or termination of employment;
- 2) breach of any written or oral employment contract or quasi-employment contract;
- 3) employment-related misrepresentation;
- 4) violation of employment discrimination laws (including sexual or other workplace harassment and discrimination on the grounds of racial or national origin, sex, sexual orientation, religion, maternity, pregnancy, age and disability);
- 5) violation or non-compliance with legislation regulating working hours;
- 6) wrongful failure to employ or promote;

- 7) wrongful demotion;
- 8) wrongful discipline;
- 9) wrongful deprivation of a career opportunity;
- 10) failure to grant tenure;
- 11) failure to adopt adequate workplace or employment policies and procedures;
- 12) Retaliatory treatment of whistleblowers or others;
- 13) negligent evaluation;
- 14) employment-related invasion of privacy;
- 15) employment-related breach of data protection legislation
- 16) employment-related libel, slander, humiliation and defamation;
- 17) failure to furnish accurate job references;
- 18) employment-related wrongful infliction of mental anguish or emotional distress; or
- 19) breach of any obligation which has been transferred to the Local Municipal by virtue of the Transfer of Undertakings 2014 or the EC Acquired Rights Directive, save for any obligation which existed at or prior to the date of transfer

M Expenses

The necessary and reasonable costs, charges and fees incurred by the Covered or by **The Mutual** in investigating, defending or settling any Claim

provided that Expenses shall **not** include

- 1) salaries, commissions, emoluments, fees or any other benefits from employment or costs and expenses normally incurred by the Covered in the absence of a Claim; or
- 2) costs and expenses incurred by a customer to whom the Covered provides goods or services under a written contract unless ordered by a court or other legally authorised tribunal; and
- 3) Expenses incurred without the prior written consent of the Company.

N Excess

That part of each and every Claim or Loss, as applicable, which shall **not** be indemnified by **The Mutual** and is payable by the Covered, the amount of which is specified in the Cover Schedule.

b) .

O Investigation

Any formal or official investigation (other than the Local Municipal's own internal investigation) or where an official investigation is Probable: examination, dawn raids, site raids, regulatory interviews or other proceedings made or commenced during the Period of Cover by a governmental body, professional body or other institution duly authorised to carry out such investigations.

P Limit of Indemnity

the limit specified in the Cover Schedule.

Q Loss/Losses:

- 1) means:
 - a) damages, compensation, contributions, judgments or (if concluded with **The Mutual's** prior written consent) settlements;
 - b) claimant's legal costs and Expenses;
 - c) punitive, exemplary and aggravated damages if and to the

Officials Liability

extent such damages are insurable under the laws of the United Kingdom, Channel Islands or Isle of Man,

except where:

- i) such damages are awarded in respect of an Employment Wrongful Act; and
 - ii) such damages are awarded in respect of any Claim arising in or in relation to the USA.
- d) all other costs and Expenses ordered by a court or other legally authorised tribunal, or incurred with **The Mutual's** prior written consent;
 - e) Defence Costs, in respect of a Claim made against, or received by, any Covered, jointly or severally; and
 - f) in respect of an Employment Wrongful Act only, the cost to the Covered of paying wages (but not Benefits) to an Employee for the period from the date of the purported dismissal or termination to the date on which the court or Tribunal of first instance delivered its judgment to the parties,

provided that Loss shall **not** include:

- a) any taxes;
- b) any fines;
- c) any penalties;
- d) any other form of Loss which is uninsurable under the law of the state or country to which the Claim is subject;
- e) the multiple portion of any multiplied damage award;
- f) any amount which the Covered is not legally liable to pay; or
- g) in respect of an Employment Wrongful Act only:
 - i) any amount not indemnified by the Local Municipal for which the Covereds are absolved from payment by reason of any covenant, agreement or court order;
 - ii) the value of any share or stock options or any other right to purchase, acquire or sell shares or stock;
 - iii) taxes, fines or penalties imposed by law or the multiple portion of any multiplied damage award;
 - iv) the cost of complying with any injunctive or other non-monetary relief or any agreement to provide any such relief; or
 - v) matters uninsurable under the law in accordance with which this Officials Liability Cover is construed or such Claim is adjudicated.

R Member

A member of a Limited Liability Partnership as defined under the Limited Liability Partnership Act 2000

S Merger

The occurrence of either of the following events:

- 1) **The Coverholders** consolidating with or merging into or selling all or substantially all of **The Coverholders** assets to any other person or entity or group of persons or entities acting in concert; or
- 2) any person or entity, whether individually or together with any other person or entity, acquiring an amount of share capital representing more than fifty per cent. (50%) of the voting power for the election of **The Coverholder's** Officials, or acquiring the voting rights for such an amount of the shares.

T Official

Any natural person who was, who is or who will become:

- 1) a lawfully elected or appointed Official;
- 2) an elected or co-opted member of the Local Municipals committees or sub-committees; an Employee;
- 3) a Member; and

officials and Employees of the Covered appointed at the request of the Covered to serve with any organisation as registered under the Charities Act 1993 or subsequent equivalent legislation, while acting for, or on behalf of or at the request of the Local Municipal,

provided that an Official shall **not** include any external auditor, liquidator, administrator, receiver or solicitor.

For the avoidance of doubt, the Officials Liability Cover covers an Official solely in relation to his activities for and on behalf of the Local Municipal and not in relation to any other activities.

U Official Detention

The confinement of any Covered Person in secure custodial premises, operated by or on behalf of a governmental or judicial agency in connection with a Claim against such Covered Person regardless of whether such confinement is without charge or without a judicial finding of culpability or liability in relation to such Claim.

V Official Duties

The official duties or work performed under a statutory duty or authority in accordance with powers granted under the Local Government Act 1972 (as amended) and any subsequent applicable legislation.

W Original Inception Date

The date from which the Local Municipal has maintained uninterrupted equivalent Cover with an insurer, whether under this Officials Liability Cover or any preceding contract of Cover.

X Period of Cover

The period of time specified in the Schedule.

Y Coverholder

The organisation so designated in the Cover Schedule.

Z Cover Schedule

The Officials Liability Cover section of the Schedule attaching to this Officials Liability Cover.

AA Pollutants

any air emission, odour, waste water, oil or oil products, infectious or medical waste, biological contaminants, asbestos or asbestos products, electric or magnetic or electromagnetic fields and noise, and any ionising radiations or contamination by radioactivity; and

- a. any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or a country, state, county, municipality or locality counterpart thereof including, but not limited to, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials.

BB Pollution

The actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of Pollutants into or on real or personal property, water or the atmosphere.

CC Probable

Where an Official has knowledge of such facts as would lead a reasonable person to believe that a particular governmental body, professional body, or other institution duly authorised is committing, has committed or is about to commit a formal interview or investigation. The Official must be able to articulate the facts and circumstances forming the basis for probable cause.

DD Public Relations Consultancy Fees

fees necessarily incurred by the Covered to employ the services of an external public relations consultant solely for the purpose of providing advice to the Covered to review, develop or implement a crisis plan in order to minimise the impact of any adverse publicity following the occurrence of any Loss covered by this Officials Liability Cover

EE Related Claims

Any and all Claims based on, arising out of, or in any way involving the same or related or series of; facts, acts, Circumstances, situations, transactions, original cause or source, error, omission or events

FF Retaliation/Retaliatory

A Wrongful Act of an Covered relating to, or alleged to be in response to:

- 1) the treatment of any Employee less favourably than any other Employees; or
- 2) the victimisation of any Employee because that Employee threatens to bring proceedings, give evidence or information, take any action or make any allegation concerning the Covered, with reference to any applicable laws or legislation in the relevant jurisdiction relating to:
 - a) sex, race, or disability discrimination;
 - b) whistle blowing; or
 - c) any employment protection law generally.

GG Retention

That part of each and every Claim which shall **not** be indemnified by **The Mutual** and is payable by the Local Municipal, the amount of which is specified in the Cover Schedule.

HH Retires/Retirement

The act of any Covered Person in voluntarily relinquishing their position from the Local Municipal with a resulting state of retirement whereby such Covered Person **does not** subsequently resume or assume the position of Official or Employee.

II Retroactive Date

The date specified in the Cover Schedule. Where Fidelity Cover has not previously been purchased the Retroactive Date shall be the first **The Mutual** inception date as stated in the Cover Schedule as the Period of Cover "From Date"

JJ Spouse

a lawful spouse, civil partner or any person deriving similar status by reason of the law applicable to the relevant territory or jurisdiction in which that person resides.

KK Sub-Limit

The maximum aggregate liability of **The Mutual** from all Claims or Related Claims first made during the Period of Cover (or any applicable Discovery Period) arising from an Extension to any Insuring Clause under this Officials Liability Cover. Any Sub-Limit shall be part of and not in addition to the Limit of Indemnity attaching to the applicable Insuring Clause.

LL Subsidiary

Any entity in which **You**:

- 1) hold directly or indirectly more than fifty per cent (50%) of the voting rights;
- 2) have the right to appoint or remove a majority of the board of Directors; or
- 3) hold more than half of the issued share capital,

and where **You** are a partnership, an entity shall be a Subsidiary of the partnership where such holding or right is held for the benefit of the partnership.

MM Local Municipal The Coverholder and its Subsidiaries

NN Tribunal

means a tribunal constituted in accordance with the Employment Tribunals (Constitution and Rules of Procedures) Regulations 2001, and any statutory amendment or successor thereto.

OO United Kingdom

The United Kingdom of Great Britain and Northern Ireland.

PP USA

The United States of America and in each case its territories and possessions and any state or political sub- division thereof.

QQ Virus

Programming code or series of instructions designed to achieve an unexpected, unauthorised or undesirable effect or operation when loaded onto a Computer System, transmitted or transferred between Computer Systems via networks, extranets, internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not.

RR Wrongful Act

in respect of:

- 1) a Covered Person:

any error, misstatement, misleading statement, act, omission, neglect, breach of duty, breach of trust, libel, slander, breach of contract, breach of warranty of authority, wrongful trading as set out in section 214 of the Insolvency Act 1986 (or any equivalent situation in any jurisdiction in which the Local Municipal is incorporated), Employment Wrongful Act, any other matter asserted against an Official solely by reason of their status as such or other act committed by any Covered Person arising out of the conduct of the Official Duties as an Official:

and

- 2) the Local Municipal:

any error, misstatement, misleading statement, act, omission, neglect, or breach of duty, breach of trust, breach of warranty of authority, or other act actually or allegedly committed or attempted by the Local Municipal arising out of the conduct of the Official Duties.

III. Corporate Liability

A Corporate Liability Insuring Clause

The Mutual shall indemnify the Local Municipal against any Loss incurred by the Local Municipal arising from a Claim that first arises during the Period of Cover,

provided that:

- a) such Claim is notified to **The Mutual** during the Period of Cover or any applicable Discovery Period; and
- b) **The Mutual** shall **not** be liable to indemnify the Local Municipal in respect of any applicable Excess.

B Corporate Liability Limit of Indemnity

The Mutual's liability under this Coverage Section shall **not** exceed the Limit of Indemnity specified in the Schedule,

provided that;

where **The Mutual** is liable to indemnify more than one person, firm, company or body the total amount of indemnity payable under this Cover shall **not** exceed the Limit of Indemnity.

C Corporate Liability Extensions

The following coverage Extensions shall be provided under this Section II ("Corporate Liability"),

provided that:

- a) the terms of sub-section A. ("Corporate Liability Insuring Clause") above shall apply; and
- b) the maximum liability of **The Mutual** during the Period of Cover under each Extension shall, unless specified in the relevant Extension, be subject to the Limit of Indemnity detailed in sub-section B. ("Corporate Liability Limit of Indemnity") above:

1 Contractual Liability Defence Costs

The Mutual shall indemnify the Local Municipal against any Defence Costs arising from or in connection with actual or alleged contractual liability of any Local Municipal under any express, oral, written or implied contracts or agreements arising from a Wrongful Act,

provided that:

- a) the Local Municipal has obtained the express prior written consent from **The Mutual** to the incurring of those Defence Costs (such consent shall **not** be unreasonably denied, withheld or delayed); and
- b) the maximum liability of **The Mutual** during the Period of Cover under this Extension shall be the single aggregate limit of £100,000.

2 Corporate Manslaughter

The Mutual shall indemnify the Local Municipal against that part of any Loss comprising of Defence Costs incurred by the Local Municipal, in respect of corporate manslaughter (or other similar or equivalent criminal offence in any jurisdiction in which the Local Municipal operates) related criminal proceedings arising from a Wrongful Act or Investigation,

provided that:

- a) the Local Municipal has obtained the express prior written consent from **The Mutual** to the incurring of those Defence Costs (such consent shall **not** be unreasonably denied, withheld or delayed); and
- b) such Defence Costs shall **not** include costs relating to any publicity or remedial orders imposed by any court (or similar or equivalent judicial remedial or punitive measure imposed in any jurisdiction in which the Local Municipal operates);

3 Emergency Costs and Expenses

If, having used reasonable efforts, the Local Municipal is unable to obtain **The Mutual's** prior written consent to the Local Municipal incurring Defence Costs the subject of II. A Corporate Liability Insuring Clause **The Mutual** shall retrospectively approve and indemnify the Local Municipal against such Defence Costs, less any applicable Excess,

provided that:

- a) such Defence Costs would otherwise be covered under A. Corporate Liability Insuring Clause; and
- b) such Defence Costs are notified to **The Mutual** by the Local Municipal as soon as possible but no later than 10 days after they are incurred;
- c) the maximum liability of **The Mutual** during the Period of Cover under this Extension shall be the single aggregate limit of £50,000; and
- d) this Extension shall **not** apply in addition to any other Extension for any Loss, Claim or Related Claim.

4 Loss of or damage to Documents

The Mutual shall pay on behalf of the Local Municipal or the Official all costs and Expenses reasonably incurred by Civil Society or the Official in replacing or restoring Documents.

The maximum liability of **The Mutual** during the Period of Cover under this Extension shall be the single aggregate limit of £100,000

provided that:

- (a) such loss of or damage to Documents is first Discovered during the Period of Cover or any applicable Discovery Period; and
- (b) where the Documents are in electronic format, the Local Municipal can demonstrate to the reasonable satisfaction of **The Mutual** that sufficient and proper procedures were in place for the security and daily back-up of the Documents; and
- (c) **The Mutual** shall **not** be liable for any costs or expenses in respect of loss of or damage to Documents directly based on, arising out of or in any way involving:
 - (i) the transmission or impact of any Virus; or
 - (ii) unauthorised access to a System.

5 Pollution

The Mutual shall indemnify the Local Municipal against that part of any Loss which relates to Defence Costs incurred by the Local Municipal in defending itself against criminal or regulatory proceedings in respect of Pollution which results from a Wrongful Act,

provided that:

- a) the Local Municipal has obtained the express prior written consent to the incurring of those Defence Costs (such consent shall **not** be unreasonably denied, withheld or delayed); and
- b) this Extension shall **not** apply to or in respect of any Claim arising in or in relation to the USA.

6 Social Media Public Relations Consultancy Fees

The Mutual shall indemnify **The Coverholder** in respect of any Public Relations Consultancy Fees reasonably and necessarily incurred by the Local Municipal in order to mitigate the adverse effect or potentially adverse effect on the Local Municipal’s reputation of any negative publicity in relation to the Local Municipal’s alleged business practices that is posted on any internet-based social media platform or website,

provided that:

- a) the Local Municipal has obtained the express prior written consent to the incurring of those Public Relations Consultancy Fees (such consent shall **not** be unreasonably denied, withheld or delayed); and
- b) the maximum liability of **The Mutual** during the Period of Cover under this Extension shall be the single aggregate limit of £100,000.

provided that this Exclusion shall **not** apply in respect of Defence Costs otherwise covered by Extension C.1. (“Contractual Liability Defence Costs”).

2 Employment Wrongful Act

any Employment Wrongful Act.

3 Pension Trusteeship or Administration

the trusteeship or administration by any Covered of any pension plan, programme or scheme or other employee benefit programme or any Covered acting in a fiduciary capacity in respect thereof, including any obligation incurred under the Pensions Act 1995, Pensions Act 2004, Pensions Act 2014 or for any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (USA) or any regulations promulgated there or within any similar or equivalent law or regulation,

provided that this Exclusion shall **not** apply to any Loss arising from a Claim for Retaliation.

4 Pollution

- a) Pollution; or
- b) any direction or request that any Covered test for, monitor, clean up, remove, contain, treat, detoxify or neutralise Pollutants, or any voluntary decision to do so (including, without limitation, any claim for financial loss to the Local Municipal, its shareholders, bondholders or its creditors based on, arising out of, or in any way involving the matters described in this Exclusion).

5 Professional Services Risks

professional Services undertaken by or on behalf of the Town Municipal arising from or in connection with:

- a) advice;
- b) design; or
- c) Specification provided for a fee

6 Unfair Trade Practices

any actual or alleged violation of any law (whether statutory, regulatory or common law) with respect to any of the following activities:

- a) anti-trust;
- b) business competition;
- c) unfair trade practices; or
- d) tortious interference in another’s business or contractual relationships.

7 Workers Compensation

any actual or alleged liability relating to workers compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment Cover, retirement benefits, social security benefits, pension benefits or any similar law or obligation whatsoever.

D Corporate Liability Exclusions

The Mutual shall **not** be liable to indemnify the Covered against any Loss which arises directly or indirectly based on, arising out of or in any way involving (the “Exclusions”):

1 Contractual Liability

any actual or alleged contractual liability of any Local Municipal under any express, oral, written or implied contracts or agreements,

Complaints Procedure

Our commitment to customer service

At **The Military Mutual** we are committed to going the extra mile for **Our** customers. If **you** believe that **we** have not delivered the service **you** expected, **we** want to hear from **you** so that **we** can try to put things right. **We** take all complaints seriously and following the steps below will help **us** understand **Your** concerns and give **you** a fair response.

Step 1

If **Your** complaint relates to **Your** Cover then please contact the sales and service team in the office which issued the Cover. If **Your** complaint relates to a claim then please call the claims helpline number shown in **Your** Cover booklet.

We aim to resolve **Your** concerns by close of the next business day. Experience tells **us** that most difficulties can be sorted out within this time.

Step 2

In the unlikely event that **Your** concerns have not been resolved within this time, **Your** complaint will be referred to **Our** Customer Relations Team who will arrange for an investigation on behalf of **Our** Chief Executive. Their contact details are as follows:

Post: Member Relations – Municipal Schemes
54 Fenchurch Street
London EC3M 3JY

Email: Municipal@mitary-mutual.co.uk

Our commitment to you

We will:

- Acknowledge all complaints promptly
- Investigate quickly and thoroughly
- Keep **you** informed of progress
- Do everything possible to resolve **Your** complaint
- Use the information from **Your** complaint to proactively improve **Our** service in the future.

Once **we** have reviewed **Your** complaint **we** will issue **Our** final decision in writing within 8 weeks of the date **we** received **Your** complaint.

If you are still not happy

If **you** are still unhappy after **Our** review, or **you** have not received a written offer of resolution within 8 weeks of the date **we** received **Your** complaint, **you** may be eligible to refer **Your** case to the Financial Ombudsman Service. The Financial Ombudsman Service is an independent body that arbitrates on complaints. They can be contacted at:

Post: Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square London
E14 9SR

Telephone: 0800 0234567 (for landline users)
0300 1239123 (for mobile users)

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

You have six months from the date of **Our** final response to refer **Your** complaints to the Financial Ombudsman Service. This **does not** affect **Your** right to take legal action; however, the Financial Ombudsman Service **will not** adjudicate on any case where litigation has commenced.

Thank you for Your feedback

We value **Your** feedback and as a member owned Mutual **we** are dedicated to treating **Our** Members as individuals and giving **you** the best possible service at all times.

Fair Processing Notice

How we use Your information

Please read the following carefully as it contains important information relating to the details that **you** have given **us**. **You** should show this notice to any other party related to this Cover.

Who we are

This product is provided by **The Military Mutual Limited**.

You are giving **Your** information to **The Military Mutual Limited**. In this information statement '**we**', '**us**' and '**Our**' refers to both The Military Mutual and **Our** contracted service partners unless otherwise stated.

How Your information will be used and who we share it with

Your information comprises all the details **we** hold about **you** and **Your** transactions and includes information obtained from third parties.

If **you** contact **us** electronically, **we** may collect **Your** information identifier, e.g. Internet Protocol (IP) Address or telephone number supplied by **Your** Service Provider.

We may use and share **Your** information with contracted service providers to help **us** and them:

- Assess financial and Cover risks;
- Recover debt;
- Prevent and detect crime;
- Develop **Our** services, systems and relationships with **you**;
- Understand **Our** customers' requirements;
- Develop and test products and services.

We do not disclose **Your** information to anyone outside the **The Mutual** and **Our** contracted service providers except:

- Where **we** have **Your** permission;
- Where **we** are required or permitted to do so by law;
- To credit reference and fraud prevention agencies and other companies that provide a service to **us**, **Our** partners or **you**; or
- Where **we** may transfer rights and obligations under this agreement.

We may transfer **Your** information to other countries on the basis that anyone **we** pass it to provides an adequate level of protection. In such cases, The Military Mutual will ensure it is kept securely and used only for the purpose for which **you** provided it. Details of the companies and countries involved can be provided on request.

From time to time **we** may change the way **we** use **Your** information. Where **we** believe **you** may not reasonably expect such change **we** shall write to **you**. If **you** do not object, **you** will consent to that change.

We will not keep **Your** information for longer than is necessary.

Sensitive information

Some of the information **we** ask **you** for may be sensitive personal data, as defined by the Data Protection Act 1998 (such as information about health or criminal convictions). **We will not** use such sensitive personal data about **you** or others except for the specific purpose for which **you** provide it and to carry out the services described in **Your** Cover documents. Please ensure that **you** only provide **us** with sensitive information about other people with their agreement.

How to contact us

On payment of a small fee, **you** are entitled to receive a copy of the information **we** hold about **you**. If **you** have any questions, or **you** would like to find out more about this notice **you can** email

Municipal@military-mutual.co.uk

Employers' Liability Tracing Office

Certain information relating to **Your** Cover including, without limitation, the Cover number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office (the 'ELTO') and added to an electronic database (the 'Database').

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure By Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers (the 'Claimants'):

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO. The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

By entering into this provision of Cover **you** will be deemed to specifically consent to the use of **Your** Cover data in this way and for these purpose