



Masonic Mutual

THE MASONIC MUTUAL LIMITED

Cover Wording

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Introduction

Please read this Cover Wording and your Certificate of Entry carefully to ensure that the cover meets your needs.

This Cover Wording must be read with your Certificate of Entry which shows the sections that are in force, the excesses and any special terms and conditions relating to your Cover.

Fraud prevention

We may check your details with various fraud prevention and credit reference agencies. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. If you make a claim, we will share your information (where necessary) with other companies to prevent fraudulent claims.

How we will use personal information

We hold data in accordance with the General Data Protection Regulation (EU 2016/679) and the Data Protection Act 2018. It may be necessary for us to pass personal information to other organisations that supply products and services for this Cover. Our Privacy Notice is available at: www.themasonicmutual.com/privacy

Enquiries

Please contact:

The Masonic Mutual Limited
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Westcombe House
2/4 Mount Ephraim
Tunbridge Wells
Kent TN4 8AS

General definitions

Each time the following appear in bold italic type (or in capital letters in the **Certificate of Entry**) they will take the meaning shown below unless specifically defined in a section of this **Cover Wording**

If they are not highlighted the everyday meaning will apply

Asbestos

means asbestos asbestos fibres or any derivatives of asbestos including any product containing any asbestos asbestos fibres or any derivatives of asbestos

Authorised volunteer(s)

means voluntary workers normally resident in the **geographical limits** acting under the **Member's** authority whilst engaged in the **Member's business**

Business

means the business of the **Member** as described in the **Certificate of Entry**

Certificate of Entry

means the document including its schedules (and any subsequent documents) issued by the **Mutual** which shows the **Member's** covers and any special terms and conditions relating to the **Member's Cover** and which incorporates this **Cover Wording**

Contribution

means the amount due to the **Mutual** for the **Cover** provided

Cover

means the discretionary cover provided to the **Member** by the **Mutual** as set out in the **Member's Certificate of Entry** this **Cover Wording** and the **Rules**

Cover period

means the length of time that the **Cover** provided by the **Mutual** is valid

Cover Wording

means this document which contains the terms and conditions of the **Member's Cover**

Damage

means physical loss destruction or damage

Excess

means the first amount of each and every loss to be borne by the **Member** at each separate **premises** as ascertained after the application of all other terms and conditions of the **Cover** up to the amount set out in the **Certificate of Entry** relevant to such loss

Geographical limits

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

Insurer

means Builders Direct S.A.

Builders Direct S.A. is company incorporated in Luxembourg, company number B0175694, with its registered office at 8D, rue Collart, L-8414 Steinfort, Luxembourg. Builders Direct S.A. is authorised and regulated by the Commissariat aux Assurances in Luxembourg and subject to limited regulation by the Financial Conduct Authority

Member

means the member shown in the **Certificate of Entry**

Mutual

means The Masonic Mutual Limited, company number 9085809

Premises

means that part of the buildings and grounds at the addresses shown in the **Member's Certificate of Entry** owned or occupied by the **Member** in connection with the **business**

Rules

means the Rules of the **Mutual**

Unoccupied

means vacant untenanted or not in use

The Member's Cover

The **Mutual** and the **Member** agree the following

- (1) this **Cover Wording** the **Certificate of Entry** and any endorsement shall together form the terms of the **Member's Cover** and be considered as one document
- (2) the **Member** will pay the **contribution**
- (3) the **Mutual** (and the **Insurer** for Employers' liability insurance) will subject to the terms and conditions of this **Cover** provide cover under the sections specified in the **Certificate of Entry** during the **cover period** or any subsequent period for which the **Member** shall pay and the **Mutual** shall accept the renewal **contribution**
- (4) This **Cover** is provided to the **Member** subject to the **Rules** and any payment the **Mutual** may make under this **Cover** is at the discretion of the **Mutual's** Board of Directors

General exclusions

This **Cover** does not cover the following

1 Excess

Any **excess**

2 Other cover

Property more specifically covered somewhere else on a discretionary basis or otherwise

3 Radioactive contamination

Loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

- (a) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- (b) the radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (d) the radioactive toxic explosive or other hazardous or contaminating properties of any radioactive matter
Part (d) does not extend to radioactive isotopes other than nuclear fuel or nuclear waste when such isotopes are on the property covered and are being prepared stored or used in the normal course of operations by the **Member** for the commercial agricultural medical scientific or other similar peaceful purposes for which they were intended
- (e) any chemical biological bio-chemical or electromagnetic weapon

However this exclusion does not apply to losses arising from naturally occurring radioactive gases released from the earth such as Radon

This exclusion does not apply to

- (i) Cover 1 of the Liabilities section except in respect of liability of any principal and liability assumed by agreement
- (ii) the Personal accident section

4 War risks

Loss or damage directly or indirectly occasioned by happening through or in 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

This exclusion does not apply to Cover 1 of the Liabilities section

5 Sonic bangs

Damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

6 Date recognition

Any claim directly or indirectly arising from the failure or possible failure of any **computer**

- (a) correctly to recognise any date as its true calendar date
- (b) to save and/or correctly interpret or process any data or command as a result of treating any date other than its true calendar date
- (c) to save or correctly process any data on or after any date

but this shall not exclude subsequent **damage** or consequential loss not otherwise excluded which itself results from a **defined peril**

Definitions specific to this exclusion

Computer

means computer or other equipment media or system (or any part of them) for processing storing or retrieving data to include without limitation any microchip integrated circuit or similar device or any computer software

Defined peril

means any of the covered events specified in any property section(s) of this **Cover Wording** excepting

- (a) the Equipment breakdown section
- (b) accidental loss destruction or damage and
- (c) causes excluded from these covered events

This exclusion does not apply to the Liabilities section the Assault extension of the Money section and the Personal accident section

7 Terrorism

Definitions specific to this exclusion

Act of terrorism

In respect of

(a) England Wales and Scotland (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987)

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

(b) all other instances

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

Any loss damage cost or expense directly or indirectly caused by contributed to by resulting from or arising out of or in connection with any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss

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

If the **Mutual** alleges that by reason of this exclusion any loss damage cost or expense is not covered by this **Cover** the burden of proving the contrary shall be upon the **Member**

This exclusion does not apply to the following sections: Liabilities Trustee and management liability Personal accident and Professional indemnity

General conditions

1 Cover voidable

The **Member** must ensure that a fair presentation of the risks to be covered is made to the **Mutual**

In the event of misrepresentation misdescription or non-disclosure of any material fact or circumstance the **Mutual** may void the **Cover** and retain any **contribution** paid where such misrepresentation misdescription or non-disclosure is deliberate or reckless

Where such misrepresentation misdescription or non-disclosure is not deliberate or reckless the **Mutual** may at its option

- (a) void the **Cover** and refund to the **Member** any **contribution** paid if the **Mutual** would have not entered into this **Cover** on any terms had clear representation description and disclosure been made
- (b) proportionately reduce the amount to be paid on any claim if the **Mutual** would have entered into this **Cover** on the same terms but for a higher **contribution**
The reduction in claim payment will represent the percentage difference between the **contribution** the **Member** has paid and the **contribution** the **Mutual** would have charged the **Member** had clear representation description and disclosure been made
- (c) impose additional terms on this **Cover** if the **Mutual** would have entered into this **Cover** on such additional terms but at the same **contribution** had clear representation description and disclosure been made
The **Mutual** may apply these additional terms to the **Member's Cover** with effect from inception of the **cover period**

2 Articles and Rules

The Articles of Association of the **Mutual** and the **Rules** shall in all cases be the governing documents in case of conflict with this **Cover Wording** or the **Member's Certificate of Entry**

Words defined in the **Rules** shall have the same meaning when used unless stated otherwise in this **Cover Wording**

3 Reasonable care

The **Member** shall

- (a) take all reasonable precautions to prevent **damage** accident illness and disease
- (b) exercise reasonable care in seeing that all statutory and other obligations and regulations are observed and complied with
- (c) maintain the **premises** works machinery and plant in sound condition

4 Unoccupied buildings

When a building or part of a building protected by this **Cover** becomes **unoccupied** or when an **unoccupied** building or part of a building is again occupied the **Member** shall notify the **Mutual** as soon as is reasonably possible

Upon any alteration as described above the **Mutual** shall be entitled to cancel the **Cover** or impose special terms or charge an additional **contribution** but in any event from the time of alteration until the **Mutual** confirms its decision in writing any **Cover** provided under the Property damage section is limited to Covered events 1 Fire lightning and explosion and 2 Aircraft

5 Alteration of risk

If after the commencement of this **Cover**

- (a) there is any alteration of risk which increases the risk of **damage** accident or liability
- (b) the **premises** undergo major structural alterations or major repair (that does not include where workmen are allowed on the **premises** to carry out minor repairs alterations or general maintenance not involving external scaffolding)
- (c) the **Member's** interest ceases except by will or operation of law
- (d) an administrator or a liquidator or receiver is appointed or the **Member** enters into a voluntary arrangement
- (e) there is any other material change in use of the **premises**

notice must be given to the **Mutual** as soon as is reasonably possible

Upon any alteration described above the **Mutual** shall be entitled to cancel the **Cover** from the date of the alteration or impose special terms or charge an additional **contribution**

This condition does not apply where buildings become **unoccupied** as this is dealt with under the 'Unoccupied buildings' General condition

6 Other cover

(a) All sections except those detailed separately below

If at the time any claim arises under this **Cover** there is any other cover in force on a discretionary basis or otherwise whether effected by the **Member** or not covering the same **damage** loss expense or liability the **Mutual** will not consider any claim for more than its rateable proportion

If such other cover is subject to any condition of underinsurance this **Cover** shall be subject to that condition of underinsurance in like manner

(b) Equipment breakdown Liabilities Trustee and management liability Money (excluding the assault extension) and Professional indemnity sections

If at the time of any claim arising under this **Cover** the **Member** is or would but for the existence of this **Cover** be entitled to claim under any form of cover on a discretionary basis or otherwise the **Mutual** will not consider claims except in respect of any additional amount beyond the amount which would have been payable under such form of cover had this **Cover** not been effected

7 Fraudulent claims

If a claim made by the **Member** or anyone acting on the **Member's** behalf or any other person claiming to obtain benefit under this **Cover** is fraudulent or exaggerated whether ultimately material or not or if any **damage** is caused by the **Member's** wilful act or with the **Member's** connivance the **Mutual** may at its option

(a) repudiate the claim

- (b) recover any payments already made by the **Mutual** in respect of the claim
- (c) cancel the **Cover** from the date of the fraudulent act and retain the **contribution** due for the unexpired **cover period** from the date of cancellation up to the renewal date
- If the **Mutual** cancels the **Cover** the **Mutual** will notify the **Member** in writing by special delivery to the **Member's** last known address

8 Disputes

Any dispute between the **Member** and the **Mutual** arising out of or in connection with this **Cover** shall be resolved in accordance with the **Rules**

9 Compliance by the Member

The **Member** must comply with the terms of this **Cover** in so far as they relate to anything to be done or complied with by the **Member**

If the **Member** does not do so and the non-compliance is material to the loss the **Mutual** may refuse to consider a claim under this **Cover** or reduce the amount of any claim payment and any payment on account of any claim already made by the **Mutual** shall be repaid to the **Mutual**

10 Cancellation

The **Member** can only cancel this **Cover** and withdraw from the **Mutual** at the end of a **cover period**

In circumstances other than those in the Alteration of risk condition the **Mutual** may cancel this **Cover** or any section of it by sending seven days' notice commencing from the date of posting by special delivery to the **Member** at the **Member's** last known address and shall refund to the **Member** the proportionate **contribution** for the unexpired **cover period**

11 Adjustment of contribution

If any part of the **Member's contribution** has been calculated on estimates the **Member** shall within 30 days from the expiry of each **cover period** supply to the **Mutual** such information as the **Mutual** may require

The **contribution** for such period will be adjusted and the difference paid by or allowed to the **Member** subject to any minimum **contribution**

12 Security

The **Mutual** will not consider any claim for **damage** at or to the **premises** caused by theft or attempted theft unless all locks bolts and other protective devices fitted to the **premises** be put into full use whenever the **premises** are closed for business and are not attended by the **Member** or an authorised person for the purpose of the **business**

In this condition the words 'business portion of the **premises**' are substituted for '**premises**' when part of the **premises** is occupied residentially by the **Member** or an authorised person

Additional security conditions may apply if so these will be detailed on the **Member's Certificate of Entry**

13 Sanctions

The **Mutual** shall not provide any **Cover** and the **Insurer** shall not provide insurance or be liable to pay any claim or provide any benefit to the extent that the provision of such **Cover** or insurance payment of such claim or provision of such benefit would expose the **Mutual** or the **Insurer** to any sanction prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union United Kingdom or United States of America

If any such sanction prohibition or restriction takes effect during the **cover period** the **Member** or the **Mutual** may cancel that part of this **Cover** which is affected with immediate effect by giving such notice in writing

In such circumstances the **Mutual** shall return a proportionate **contribution** for the unexpired **cover period** provided no claims have been paid or are outstanding

14 Assignment

The **Member** shall not assign any of the rights or benefits under this **Cover** or any section of this **Cover** without the **Mutual's** prior written consent The **Mutual** will not be bound to accept or be affected by any notice of trust charge lien or purported assignment or other dealing with or relating to this **Cover** or any section of this **Cover**

15 Law applicable

This **Cover** shall be governed by and construed in accordance with the law of England and Wales unless the **Member's** habitual residence (in the case of an individual) or central administration and/or place of establishment is located in Scotland in which case the law of Scotland shall apply

16 Rights of third parties

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

Claims conditions

Duties of the Member

When an incident occurs that may result in a claim the **Member** shall

- (a) take all practicable steps to recover property lost and otherwise minimise the claim
- (b) tell the Police as soon as is reasonably possible if the **damage** is caused by thieves malicious persons vandals or as a result of riot civil commotion strikes or labour disturbances
- (c) tell the **Mutual** as soon as the **Member** becomes aware and in the case of **damage** caused by riot or civil commotion give the **Mutual** full written details not later than seven days of the date the **damage** occurred
- (d) within 30 days give the **Mutual** at the **Member's** expense any information the **Mutual** requires and continue to provide the **Mutual** with any information and assistance the **Mutual** requires
- (e) not make or allow to be made on the **Member's** behalf any admission offer promise payment or indemnity without the **Mutual's** written consent
- (f) forward to the **Mutual** every letter claim writ summons and process immediately upon receipt without acknowledgement and advise the **Mutual** in writing as soon as the **Member** has any knowledge of any impending prosecution inquest or inquiry in connection with that event
- (g) for Trustee and management liability Loss of licence and Professional indemnity claims comply with the additional conditions which are detailed in those sections

Rights of the Mutual

The **Mutual** may

- (a) start take over defend and conduct any legal action in the **Member's** name
- (b) bring proceedings in the **Member's** name for the **Mutual's** benefit

The **Mutual** will have full discretion in the conduct and settlement of any such action

- (c) enter any building where **damage** has occurred and take and keep possession of any property included in this **Cover**

The **Mutual** will not accept property abandoned to the **Mutual**

This **Cover** shall be proof that the **Member** has authorised the **Mutual's** rights under this condition

- (d) at any time pay to the **Member** the limit of **Cover**
 - (i) less any amount already paid or incurred in the case of claims for Employers' liability or Prosecution defence costs or Trustee and management liability
 - (ii) in the case of Public & products liability claims less any amount already paid or incurred as damages
 - (iii) less any amount already paid or agreed to be paid for settlement damages interest and claimant's costs or costs for which the **Member** is liable in the case of claims for Professional indemnity or any lesser amount for which at the **Mutual's** discretion any claim or claims can be settled

The **Mutual** will then relinquish control of the claim and grant no further **Cover** except for any Public & products liability claim (other than any claim originating from within the legal jurisdiction of the United States of America or Canada) the **Mutual** may also pay any legal costs incurred prior to the date of such payment

- (e) in the case of Personal accident or Assault extension claims involving the death of a covered person have a post mortem carried out at the **Mutual's** expense

Additional conditions apply to Trustee and management liability Loss of licence and Professional indemnity claims which are detailed in those sections

1 Property damage

The Member's Certificate of Entry will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the **Member's Certificate of Entry**) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Buildings

means the buildings at the **premises** including landlord's fixtures and fittings outbuildings walls gates and fences piping ducting cables wires and associated control gear and accessories on the **premises** and extending to the public mains but only to the extent of the **Member's** responsibility fixed aerials and satellite dishes wind turbines fixed to the buildings solar panels yards car parks roads and pavements storage tanks artificial playing surfaces swimming pools and associated apparatus

Bridges land piers jetties culverts and excavations are excluded unless specifically mentioned in this **Cover**

Unless stated otherwise buildings are brick stone or concrete built and roofed with slates tiles concrete metal asphalt or sheets or slabs composed of incombustible mineral ingredients

Contents

means business equipment computers plant machinery furniture fixtures and fittings consumable stock not for sale and all other contents belonging to the **Member** or for which the **Member** is legally responsible or which are entrusted to the **Member** contained in the **premises** and elsewhere as stated in the **Member's Certificate of Entry** and this **Cover Wording**

Contents includes the following property only to the extent stated

- (1) the cost of materials labour and computer time in reproducing
 - (a) documents manuscripts and business books
 - (b) patterns models moulds plans and designs
 - (c) computer systems records for an amount not exceeding 5% of the contents item sum covered

but not any cost in connection with producing information to be recorded or the value of the information to the **Member**

- (2) regalia up to £10,000 any one item and £30,000 any one lodge in any one **cover period**
- (3) prints paintings drawings pieces of tapestry sculptures or other works of art for an amount not exceeding £5,000 any one item
- (4) the **personal belongings** of the following whilst contained in the **premises**
 - (a) directors trustees committee members lodge members officials partners employees and **authorised volunteers** for an amount not exceeding £2,500 (£500 for pedal cycles) per person
 - (b) visitors for an amount not exceeding £1,000 per person
 - (c) other persons as shown in the **Member's Certificate of Entry** up to the limit shown for any one person

In addition to the above personal money is covered up to £100 per person

Excluding

- (i) stock intended for sale
- (ii) landlord's fixtures and fittings
- (iii) cash or money instruments of any description whether negotiable or non-negotiable (other than personal money previously mentioned)
- (iv) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
- (v) any living creatures trees shrubs plants or other vegetation
- (vi) explosives
- (vii) any other property more specifically covered

Covered event(s)

means any event set out as included in the **Member's Certificate of Entry**

Personal belongings

means pedal cycle clothing and personal articles worn used or carried about the person excluding bankers' cards credit and debit cards and any belongings otherwise covered

Property covered

means the items covered as set out in the Property damage section of the **Member's Certificate of Entry**

Stock

means stock (other than consumable stock not for sale) materials in trade and work in progress belonging to the **Member** or for which the **Member** is legally responsible or which are entrusted to the **Member** whilst at the **premises** including its open yards and spaces and elsewhere as stated in this **Cover Wording** and the **Member's Certificate of Entry**

Tenant's improvements

means improvements and decorations belonging to the **Member** or for which the **Member** is legally responsible in or on the **buildings** and elsewhere as stated in this **Cover Wording** and the **Member's Certificate of Entry**

Cover

The **Mutual** may pay the **Member** (by payment up to the value of the **property covered** at the time of the **damage** or at the **Mutual's** option by repair reinstatement or replacement) in respect of **damage** to the **property covered** by any **covered event** happening during the **cover period**

Provided that the **Mutual's** discretionary indemnity in any one **cover period** shall not exceed the sum covered for each item nor in all the total sum covered

Events

1 Fire lightning and explosion

Fire not caused by

- (a) the property's own spontaneous fermentation or heating or its undergoing any process involving the application of heat
- (b) earthquake subterranean fire riot or civil commotion

Lightning

Explosion excluding

- (a) **damage** in respect of and originating in any vessel machinery or apparatus or its contents belonging to the **Member** or under the **Member's** control which is required to be examined to comply with any statutory regulations unless such vessel machinery or apparatus is the subject of a contract providing the required inspection service

- (b) **damage** consisting of the bursting of a boiler economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to the **Member** or under the **Member's** control

2 Aircraft

Aircraft and other aerial devices or articles dropped from them

3 Riot

Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances excluding **damage**

- (a) resulting from cessation of work
- (b) occasioned by confiscation or destruction or requisition by order of the government or any public authority

4 Malicious persons

Malicious persons excluding

- (a) **damage** resulting from cessation of work
- (b) **damage** by theft or attempted theft
- (c) **damage** to moveable property in the open except as specifically provided for in the Property in the open cover extension
- (d) **damage** occasioned by confiscation or destruction or requisition by order of the government or any public authority

5 Earthquake

6 Subterranean fire

7 Storm

Storm excluding

- (a) **damage** by
 - (i) the escape of water from the normal confines of any natural or artificial water course or lake reservoir canal or dam
 - (ii) inundation from the sea whether resulting from storm or otherwise
- (b) **damage** attributable solely to change in the water table level
- (c) **damage** by frost subsidence or landslip

- (d) **damage** to fences gates and moveable property in the open except as specifically provided for in the Property in the open cover extension

8 Flood

Flood caused by

- (a) the escape of water from the normal confines of any natural or artificial water course (other than water tanks apparatus or pipes) or lake reservoir canal or dam
- (b) inundation from the sea

but excluding

- (i) **damage** attributable solely to change in the water table level
- (ii) **damage** by frost subsidence or landslip
- (iii) **damage** to fences gates and moveable property in the open except as specifically provided for in the Property in the open cover extension

9 Escape of water

Escape of water or beverage from any tank apparatus or pipe including **damage** to any water tank apparatus or pipe itself caused by freezing of water or beverage

but excluding

- (i) **damage** to the beverage itself
- (ii) **damage** by water discharged or leaking from an installation of automatic sprinklers

10 Impact

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

11 Falling trees

Falling trees branches telegraph poles lamp posts or pylons

12 Falling aerials

Breakage or collapse of television and radio receiving aerials aerial fittings and masts satellite dishes wind turbines solar panels and security equipment attached to a building

13 Escape of oil

Escape of oil from any fixed oil fired heating installation or storage tank

14 Sprinkler leakage

Accidental escape of water from any automatic sprinkler installation in the **premises** not caused by explosion earthquake subterranean fire or heat caused by fire

15 Accidental damage

Any other accidental **damage**

Excluding

- (i) **damage** which is specifically included or excluded elsewhere in this section
- (ii) **damage** to wind turbines

16 Subsidence

Subsidence heave or landslip of the site on which the **premises** stand excluding **damage**

- (a) attributable solely to change in the water table level
- (b) to bridges (if covered) boundary walls gates fences piping ducting cables wires and associated control gear and accessories yards car parks roads and pavements storage tanks artificial playing surfaces and swimming pools unless also resulting in **damage** to a building protected under this **Cover**
- (c) caused by or consisting of
- (i) the normal settlement or bedding-down of new structures
- (ii) the settlement or movement of made-up ground
- (iii) coastal or river erosion
- (d) caused by defective design or workmanship or the use of defective materials
- (e) caused by fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe
- (f) which originated prior to the inception of **Cover** by the **Mutual**
- (g) resulting from
- (i) demolition construction structural alteration or repair of any property
- (ii) groundworks or excavation at the same **premises**

Special condition

The **Member** shall notify the **Mutual** as soon as the **Member** becomes aware of any demolition groundworks excavation or construction being carried out on any adjoining site

The **Mutual** shall then have the right to vary or cancel this cover

17 Theft or attempted theft

Theft or attempted theft

- (a) involving entry to or exit from the buildings of the **premises** by forcible and violent means
- (b) following actual or threatened assault or violence

Excluding **damage** to the **buildings** as a result of theft or attempted theft

18 Glass and sanitary fixtures

Accidental **damage** of any part of the exterior and interior glass sanitary fixtures or signs including the reasonable cost of

- (a) repairs to framework following breakage of the covered glass
- (b) necessary boarding-up pending replacement of the covered glass
- (c) in the case of multiple glazing the additional cost of re-creating vacuums or the purchase and installation of new sealed units
- (d) replacing any lettering painting or alarm foil on such glass

but excluding

- (i) **damage** which is specifically included or excluded elsewhere under this section
- (ii) **damage** to glass sanitary fixtures or signs already damaged at the commencement of this **Cover**
- (iii) disfiguration or **damage** to glass not extending through the entire thickness of the glass
- (iv) **damage** to glass while not fixed

- (v) **damage** caused by or traceable to alterations to the **premises** or in the glass whereby the risk of **damage** is increased
- (vi) **damage** to bulbs or tubes unless the signs in which they are contained are damaged at the same time

Extensions

The **Cover** by this section is extended to include the following

Unless specifically stated otherwise these extensions do not increase the **Mutual's** discretionary indemnity as stated in the Cover paragraph to this section

1 Non-invalidation

The **Cover** by this section shall not be invalidated by any act omission or alteration whereby the risk of **damage** is increased unknown to the **Member** or beyond the **Member's** control

Provided that the **Member** on becoming aware of this gives notice to the **Mutual** as soon as is reasonably possible and pays an additional **contribution** if required

2 Reinstatement of sum covered

(not applicable to any limits in the extensions to this section)

In consideration of the **Member's** agreement to pay such additional **contribution** as may be required the **Mutual** will automatically reinstate the sum covered in full after **damage** has occurred

Provided that

- (a) the **Mutual** has not given the **Member** notice within 30 days of the **Member** reporting the **damage** to the **Mutual** that the **Mutual** will not reinstate the sum covered
- (b) in respect of **damage** by theft or attempted theft reinstatement will only apply subject to the **Member** completing any improvements to the security precautions at the **premises** that the **Mutual** may require and in any event reinstatement following theft or attempted theft will apply only once during each **cover period**

3 Fees

If the **buildings** are covered architects' surveyors' consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement of the **property covered** consequent upon its **damage** by a **covered event** but not for preparing any claim it being understood that the amount the **Mutual** may pay for such **damage** and fees shall not exceed in the aggregate the sum covered by each item

4 Removal of debris

Costs and expenses necessarily incurred by the **Member** with the **Mutual's** consent in

- (a) removing debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping

of the portion or portions of the **property covered** by the said items destroyed or damaged by any **covered event** it being understood that the amount the **Mutual** may pay for such **damage** and costs incurred under (a) (b) and (c) shall not exceed in the aggregate the sum covered by each item

The **Mutual** may also pay the costs and expenses necessarily incurred by the **Member** with the **Mutual's** consent in removing fallen trees within the grounds of the **premises**

Provided that

- (1) the trees have fallen as a result of a **covered event** and
- (2) the buildings of the **premises** are damaged by the same **covered event** occurring at the same time and a claim for this **damage** has been agreed by the **Mutual**

The **Mutual** will not consider any claim for any costs or expenses

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- (ii) arising from pollution or contamination of property not protected by this **Cover**

5 Temporary removal

Contents while temporarily removed for cleaning renovation repair or other similar purpose to any other premises and in transit between such locations in the **geographical limits**

6 Spontaneous heating

Damage to coal coke or wood blocks by its own spontaneous fermentation heating or combustion

7 European Union and Public Authorities

(including undamaged portions)

If the **buildings** are covered such additional cost of reinstatement of the destroyed or damaged property and undamaged portions as may be incurred solely by reason of the necessity to comply with the stipulations of

- (1) European Union legislation or
 - (2) building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority
- (hereinafter referred to as "the Stipulations")

Excluding

- (a) the cost incurred in complying with the Stipulations
 - (i) in respect of **damage** occurring prior to the granting of this extension
 - (ii) in respect of **damage** excluded or otherwise not protected by this **Cover**
 - (iii) under which notice has been served upon the **Member** prior to the happening of the **damage**
 - (iv) for which there is an existing requirement which has to be implemented within a given period
- (b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- (c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner of the property by reason of compliance with the Stipulations

Special conditions applicable to this extension

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the **damage** or within such further time as the **Mutual** may allow (during the said 12 months) and may be carried out upon another site (if the Stipulations so necessitate) but the **Mutual** will not consider claims for more than the cost of reinstatement at the **Member's** site
- 2 If the **Mutual's** discretionary indemnity under this **Cover** apart from this extension shall be reduced by the application of any of the terms and conditions of the **Cover** then the **Mutual's** discretionary indemnity under this extension (in respect of any such item) shall be reduced in like proportion
- 3 The most the **Mutual** may pay under any item of the **Cover** under this extension shall not exceed
 - (a) 15% of its sum covered or
 - (b) where the sum covered by the item applies to property at more than one premises 15% of the total amount for which the **Mutual** may have paid had the property covered by the item at the **premises** where **damage** has occurred been wholly destroyed
- 4 The total amount which may be paid under any item of the **Cover** shall not exceed its sum covered
- 5 All the terms of this **Cover** except insofar as they may be expressly varied shall apply as if they had been incorporated herein

8 Emergency services damage to the grounds

Damage caused by the emergency services at any part of the **premises** or to **property covered** or the grounds for which the **Member** is responsible excluding Police raids

9 Capital additions

The cover provided by this extension increases the sum covered but only to the extent stated

Under the Buildings and Contents items

- (a) alterations and additions to the **property covered** but not in respect of any appreciation in value
- (b) newly acquired property so far as it is not otherwise covered anywhere in the **geographical limits**

Provided that

- 1 at any one situation the most the **Mutual** may pay shall not exceed 10% of the total sum covered on such property or £500,000 in respect of both **buildings** and **contents** whichever is the less
- 2 The **Member** undertakes to give details of such extension of cover as soon as practicable and to effect specific cover and pay any additional **contribution** as may be required from inception of the cover

10 Loss of oil gas or water

The **Mutual** may pay for

- (a) loss of oil (other than covered by (c) below) or gas from the heating system after **damage** by a **covered event** to that system
- (b) the cost of replacing liquid petroleum gas or oil following accidental discharge from the storage container at the **premises**
- (c) theft of oil from any storage tank used for the heating system at the **Member's premises** provided theft is a **covered event** under this **Cover**
- (d) the cost of decontaminating the grounds of the **Member's premises** following accidental discharge of oil from any oil fired heating installation or storage tank
- (e) loss of metered water from the water or heating system after **damage** by a **covered event** to that system

The most the **Mutual** may pay under (a) or (b) is £5,000 any one claim

The most the **Mutual** may pay under (c) is £5,000 any one **cover period**

The most the **Mutual** may pay under (d) is £25,000 any one claim

The most the **Mutual** may pay under (e) is £10,000 any one claim

11 Sale of the building

If the **buildings** are covered the interest of the purchaser in the **Cover** by this section for the period from the written offer and acceptance or exchange of contracts until completion of the sale is noted

Provided that

- (a) the **buildings** are not covered elsewhere for the benefit of the purchaser
- (b) the purchaser complies with and is bound by the terms of this **Cover**

12 Bequeathed property

The cover provided by this extension increases the sum covered but only to the extent stated

Damage by a **covered event** to material property anywhere in the **geographical limits** bequeathed to the **Member**

Cover is operative from the commencement date of the **Member's** interest in the material property

Within three months of legal title of such property passing to the **Member** the **Member** must either notify the **Mutual** about the property and arrange for it to be specifically included in this **Cover** or arrange for it to be covered or insured elsewhere

If the **Member** arranges to cover such property with the **Mutual** any additional **contribution** which has to be payable shall be calculated from the date the legal title of the property passed to the **Member**

Limit

£50,000 any one bequest (single article limit £5,000) other than buildings for which the limit shall not exceed 10% of the **buildings** sum covered or £250,000 whichever is the less any one bequest

Excluding

- (i) motor vehicles licensed for road use or their accessories trailers caravans watercraft or aircraft
- (ii) property covered under any other policy or indemnity
- (iii) cash or money instruments of any description whether negotiable or non-negotiable

13 Damage to the buildings by theft

(only applicable if the event of Theft or attempted theft is operative)

The **Cover** extends to include

- (a) if **buildings** are covered repairs to the **buildings** following theft or attempted theft of the fabric of the **buildings** excluding external metal up to £5,000 in any one **cover period**
- (b) if **buildings** are covered repairs to the **buildings** following theft or attempted theft of external metal up to £5,000 in any one **cover period**
- (c) if **contents** are covered **damage** to the **buildings** caused by theft or attempted theft of **contents** for an amount not exceeding £25,000 in any one **cover period**
- (d) **damage** to **property covered** directly caused as a result of the entry of rainwater following the theft or attempted theft of the fabric of the **buildings** including external metal up to £5,000 in any one **cover period**

This extension does not apply when scaffolding is erected at the **premises** unless the **Mutual** has agreed in writing to continue cover

14 Loss or theft of keys

(only applicable if the event of Theft or attempted theft is operative)

If **contents** are covered reasonable costs incurred in gaining access to the **premises** and/or replacing locks at the **premises** including locks of safes or strongrooms in the **premises** if keys are stolen or lost

Limit

£5,000 any one **cover period**

15 Seasonal stock increase

The cover provided by this extension increases the sum covered but only to the extent stated

An additional £10,000 for additional **stock** consumable stock not for sale and provisions the **Member** has purchased for any exhibition festival or fund raising event

16 Raffle prizes and donated goods

Damage by a **covered event** to raffle prizes and donated goods to be used for fund raising events including whilst at the home of a director trustee employee or **authorised volunteer**

Limit

£1,500 any one claim

17 Freezer contents

If **contents** are covered **damage** to the contents of chill or deep freeze food units as a result of failure of the unit failure of the electricity or gas supply or contamination from refrigerant or refrigerant fumes

In addition the **Mutual** may pay if incurred the necessary and reasonable cost of hiring temporary alternative freezing space

Excluding

- (a) **damage** caused by the **Member's** failure to pay for the electricity or gas supply
- (b) **damage** to freezer contents where the freezer or compressor is more than 15 years old unless the refrigeration unit is the subject of a current manufacturer's guarantee or an annual maintenance contract

Limit

£5,000 for the contents of any unit and £20,000 in total any one **cover period**

18 Property in the open

If the **contents** are covered **damage** to the following property by the **covered events**

- (a) groundsmen's equipment in the grounds of the **premises**
- (b) fixtures including fixed floodlighting and external lighting security equipment fixed to the **buildings** or in the grounds of the **premises**
- (c) fixed or unfixed equipment garden decorations and ornaments monuments memorials statues bridges and garden furniture in the grounds of the **premises** (other than provided by (a) and (b) above)
- (d) the **Member's** signs and nameplates fixed to the **buildings** or positioned outside but in the immediate vicinity of the **premises**

Limit in the aggregate £20,000 for any one **cover period**

For the purpose of this extension

- (i) the theft or attempted theft event includes theft or attempted theft not involving forcible and violent entry
- (ii) the exclusion under the events of Malicious persons Storm and Flood relating to moveable property in the open does not apply

19 Trace and access

The costs and expenses reasonably incurred by the **Member** with the **Mutual's** consent in locating the source of a leakage of oil water or gas at the **premises** and in subsequent repair of **damage** caused by locating the source

Limit

£50,000 any one claim

20 Underground pipes and cables

Accidental **damage** to underground pipes and cables where the **buildings** are covered by this section or where the **Member** is liable for repairs as tenant

21 Clearing of drains

The reasonable costs incurred by the **Member** for clearing or repairing drains gutters sewers and the like for which the **Member** is responsible incurred as a direct result of **damage** caused by a **covered event**

Limit

£50,000 any one claim

22 Extinguisher and alarm resetting expenses

The reasonable costs incurred by the **Member** in refilling fire extinguishing appliances replacing sprinkler heads and resetting fire or intruder alarm systems solely in consequence of their activation following a **covered event**

23 Cover away from the premises

Damage by any cause not excluded to

- (a) regalia anywhere within the European Union
- (b) **contents** other than regalia anywhere within the **geographical limits**

whilst temporarily removed from the **premises** for purposes other than cleaning renovation or repair

Limit

Regalia £10,000 any one article and £30,000 any one lodge in any **cover period**

All other **contents** £5,000 in any one **cover period** subject to £1,000 for any one item other than **personal belongings**

Personal belongings belonging to persons detailed in **contents**

£500 for any one person

£250 for any one item

Excluding

- (a) **damage** to a trailer or caravan whilst attached to or being towed by a motor vehicle
- (b) **damage** by theft or attempted theft from any unattended vehicle unless
 - (i) the vehicle is locked at all points of access
 - (ii) there are visible signs of forcible and violent entry to the vehicle
 - (iii) the property (unless permanently fixed in position) is out of sight in a locked compartment or locked boot within the vehicle
- (c) **damage** by malicious persons theft storm or flood to moveable property left in the open

24 Minor contract works

Explanatory notes (not forming part of the Cover)

- 1 This extension only applies if the buildings are covered under the section against all of the specified perils as defined below
- 2 If the **Member** has decided not to make arrangements for Terrorism cover then the requirements of the building contract will not be met - to help the **Insurer** can arrange Terrorism cover or the **Member** can ask its architect to reduce the requirements of the building contract with the agreement of all parties
- 3 If the **Member's Cover** is not renewed with the **Mutual** then there will be no cover for the building works if they should continue beyond the **cover period**

The cover provided by this extension increases the sum covered but only to the extent stated

Definitions specific to this extension

All risks

means all of the **covered events** under this section of the **Cover** inclusive of accidental damage

Contractor(s)

shall have the meaning attached to them in the **covered contract**

Contract works

means the permanent works and the temporary works executed in performance of the **covered contract**

Covered contract

Any JCT minor standard or intermediate building contract in which the employer is required to take out a joint names policy provided that the value of the contract does not exceed £100,000

Also any similar contract with the **Mutual's** agreement

In the case of separate contracts relating to one project at the **premises** the limit of £100,000 referred to above relates to the total value of all the contracts involved

Site materials

means all unfixed materials and goods delivered to placed on or adjacent to the **contract works** and intended for incorporation within the **contract works**

Specified perils

means fire lightning explosion storm tempest flood escape of water from any water tanks apparatus or pipes aircraft and other aerial devices or articles dropped from them riot civil commotion and earthquake

Cover

In respect of repairs alterations and/or extensions to existing building structures this section extends to cover the **Member's** obligations as employer for **specified perils** or **all risks** as required by the **covered contract**

For the purposes of this extension and for the period of the **covered contract** the **Cover** for

- (a) the existing structures and any **contents** for which the **Member** is responsible
- (b) the **contract works** and **site materials**

is considered to be in the joint names of the **Member** and the **contractor** but only in so far as

this is required under the terms of the **covered contract**

Amount payable

The **Mutual** may provide cover to the **Member** (by payment or at the **Mutual's** option by repair reinstatement or replacement) subject to the **Mutual's** discretionary indemnity inclusive of all professional fees and VAT where applicable not exceeding

- (a) for existing structures and contents for which the **Member** is responsible the sums covered by the relevant building and contents items at the time of the **damage**
- (b) £100,000 in respect of the **contract works** and **site materials**

Notwithstanding anything contained within the Alteration of risk General condition the erection of scaffolding in connection with the cover provided under this extension is deemed not to constitute an alteration in risk

Off-site storage

Cover extends to include materials or goods designated to be included in the **contract works** whilst temporarily held in store away from the contract site but not while they are being worked upon

Limit

£7,500 any one storage site

Exclusions applicable to this extension

The **Mutual** will not consider claims for **damage** to

- (a) deeds bonds bills of exchange promissory notes cash bank notes cheques securities for money or stamps
- (b) any craft designed to travel in on or through water air or space
- (c) any mechanical plant and equipment
- (d) any property (including that being altered or repaired) which already existed at the time of the commencement of the **covered contract** other than **site materials**
- (e) the permanent works or any part thereof in respect of which a certificate of completion has been issued by or to the **Member** or which has been completed and handed over to or taken into use with the permission of the **Member** for

a purpose other than for the performance of the **covered contract**

- (f) penalties under the **covered contract** for delay or non-completion or consequential loss of any nature except as specifically provided for under this extension

25 Loss avoidance measures

The reasonable costs incurred by the **Member** in taking reasonable but exceptional measures to prevent or mitigate impending **damage** to the **property covered** by a **covered event**

Provided that

- (a) if **damage** had occurred it would have resulted in a claim that would have been agreed by the **Mutual** under this section of the **Cover**
- (b) the **Mutual** is satisfied that **damage** has been prevented or mitigated by means of the exceptional measures
- (c) the terms conditions and exclusions of this section and the **Cover** apply as if **damage** had occurred
- (d) the amount the **Mutual** may pay as discretionary indemnity will be no greater than the cost of **damage** which would have otherwise occurred

Limit

£10,000 any one occurrence or series of events arising out of one occurrence

26 Pairs and Sets

Where an item of regalia suffers **damage** and is part of a pair set or uniform the **Mutual** may contribute up to 50% of the sum covered for the undamaged item or items forming part of that pair set or uniform

If any item which has an increased value because it forms part of a pair or set suffers **damage** any payment the **Mutual** may make may take account of the increased value

The most the **Mutual** may pay is the value of that pair or set provided this does not exceed £10,000 any one item and £30,000 any one lodge in any one **cover period**

If the **Mutual** pays the full sum covered for an item pair or set the **Mutual** will then own it and have the right to take possession of it

Memoranda

1 Reinstatement of property

The **Mutual** will not be bound to reinstate exactly or completely any property that is the subject of a claim but may reinstate only as circumstances permit and in reasonably sufficient manner

The **Mutual** will not consider a claim in respect of any one of the items of **property covered** for more than the sum covered

2 Reinstatement basis of settlement

(applicable unless stated otherwise in the **Member's Certificate of Entry**)

Subject to the following Special conditions the basis upon which the amount which may be payable in respect of **property covered** under this section (but excluding bed linen **stock** and **personal belongings**) is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose "reinstatement" means

- (a) the rebuilding or replacement of property lost or destroyed which provided the amount the **Mutual** may pay is not increased may be carried out
 - (i) in any manner suitable to the **Member's** requirements
 - (ii) upon another site
- (b) the repair or restoration of property damaged

In the case of (a) or (b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special conditions applicable to this memorandum

- 1 If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the **property covered** by any item subject to this memorandum exceeds its sum covered at the time of commencement of any **damage** the **Mutual's** discretionary indemnity shall not exceed that proportion of the amount of the **damage** which the said sum covered adjusted

for index-linking shall bear to the sum representing the total cost of reinstating the whole of such property at that time

- 2 The **Mutual's** discretionary indemnity for the repair or restoration of property damaged in part only shall not exceed the amount which may have been payable had such property been wholly destroyed
- 3 No payment beyond the amount which may have been payable in the absence of this memorandum shall be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement shall have been actually incurred
 - (c) if the **property covered** at the time of its **damage** shall be covered by any other policy or indemnity effected by the **Member** or on the **Member's** behalf which is not upon the same basis of reinstatement
- 4 All the terms and conditions of this **Cover** shall apply
 - (a) in respect of any claim which may be payable under this memorandum except insofar as they are varied hereby
 - (b) where claims are agreed as if this memorandum had not been incorporated

3 Day One Basis – non-adjustable

(This applies if a Day One figure is shown against an item in the **Member's Certificate of Entry**)

- 1 The **Member** has agreed the declared value incorporated in each item to which this extension applies and the **contribution** has been calculated accordingly
"Declared value" means the **Member's** assessment of the cost of reinstatement of the **property covered** (as defined in the Reinstatement memorandum) at the level of costs applying at the inception of the **cover period** (ignoring inflationary factors which may operate subsequently) together with insofar as the cover by the item provides due allowance for

- (a) the additional cost of reinstatement to comply with the stipulations defined in the European Union and Public Authorities (including undamaged portions) extension
- (b) professional fees
- (c) debris removal costs

- 2 At the inception of each **cover period** the **Member** shall notify the **Mutual** of the declared value of the **property covered** by each of the said item(s)

In the absence of such declaration the last amount declared by the **Member** (adjusted to reflect index-linking) shall be taken as the declared value for the ensuing **cover period**

- 3 In respect of each item to which this extension applies the following replaces Special conditions 1 and 4 of the Reinstatement basis of settlement memorandum

- (1) Each item covered under this memorandum is declared to be separately subject to the following condition namely
If at the time of **damage** the declared value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph 1 of the Day One memorandum) at the inception of the **cover period** then the **Mutual's** discretionary indemnity shall be limited to that proportion thereof which the declared value bears to such cost of reinstatement

- (4) Where by reason of any of the above Special conditions no payment is agreed to be made beyond the amount which would have been payable under the **Cover** if this memorandum had not been incorporated the rights and liabilities of the **Mutual** and the **Member** in respect of the **damage** shall be subject to the terms of the **Cover** including any condition of average as if this memorandum had not been incorporated except that the sums covered shall be increased in proportion with the additional amount charged in respect of this memorandum

4 Index-linking

Unless the Day One Basis – non-adjustable memorandum applies the sum covered by each item covered (but not extension limits) under this section will be adjusted in accordance with suitable indices selected by the **Mutual**

The annual renewal **contribution** will be amended accordingly

In the event of **damage** index-linking will continue from the date of **damage** until the resulting claim may be settled but the **Mutual** will not consider any claim for increased costs which arise due to unnecessary delay on the **Member's** part

5 Other interests

The interest in the **Cover** by this section of the various mortgagees lessors and freeholders of the property is noted

Exclusions

The **Mutual** will not consider claims in respect of

- 1 **damage** caused by pollution or contamination other than provided for under the Loss of oil gas or water extension of this section but this shall not exclude **damage** to the **property covered** not otherwise excluded caused by
 - (a) pollution or contamination which itself results from any of the **covered events** other than Accidental damage
 - (b) any of the **covered events** other than Accidental damage which itself results from pollution or contamination
- 2 consequential loss of any kind
- 3 Definitions specific to this exclusion

Data

means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

Failure of a system

means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a **system** whether or not owned by the **Member** to operate at any time as desired as specified or as required in the circumstances of the **Member's** business activities

Microchip(s)

means a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontroller

System(s)

shall include 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

Virus

means programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a **system** transmitted between **systems** by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self-replication or not

Damage to

- (a) **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) any items 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 **Member'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** or loss resulting from subsequent **damage** which itself results from a cause not otherwise excluded provided that such **damage** does not arise by reason of any malicious act or omission

- 4 **damage** to any electrical plant or apparatus caused by self-ignition but this exclusion shall apply only to that part of the electrical plant or apparatus in which self-ignition occurs
- 5 **damage** caused by or consisting of inherent vice latent defect depreciation gradual deterioration wear and tear its own faulty or defective design or materials faulty or defective workmanship but this shall not exclude subsequent **damage** which itself results from a cause not otherwise excluded
- 6 **damage** caused by or consisting of corrosion dust rust wet or dry rot contamination mildew shrinkage evaporation loss of weight dampness dryness marring scratching vermin insects change in temperature colour flavour texture or finish
- 7 **damage** to property resulting from its undergoing any process of cleaning dyeing restoration production packing treatment testing commissioning servicing or repair
- 8 **damage** caused by atmospheric and climatic conditions other than storm or flood

- 9 **damage** consisting of
- (i) joint leakage failure of welds or cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - (ii) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates
- 10 **damage** caused by or consisting of
- (i) acts of fraud or dishonesty
 - (ii) disappearance unexplained or inventory shortage misfiling or misplacing of information
- 11 **damage**
- (i) to a building or structure caused by its own collapse or cracking other than as provided for under the Subsidence event
 - (ii) to moveable property in the open fences and gates by wind rain hail sleet or snow other than as provided for under the Property in the open extension

2 Equipment breakdown

The Member's Certificate of Entry will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the *Member's Certificate of Entry*) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Accident(s)

means

- (a) electrical or mechanical **breakdown** including rupture or bursting caused by centrifugal force
- (b) artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires
- (c) **explosion** or **collapse** of steam boilers steam pipes steam engines or steam turbines owned or leased by the **Member** or operated under the **Member's** control
- (d) **damage** to **covered equipment** operating under steam or fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
- (e) **damage** to hot water boilers or other water heating equipment and their associated oil or water storage tanks caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment

Additional expenses

means expenses incurred to clean up or dispose of the **covered equipment** resulting from contamination by a **hazardous substance**

Breakdown

means

- (a) the actual breaking failure distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work

- (b) fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative
- (c) the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary

Collapse

means the sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents)

Computer equipment

means equipment that is electronic computer or other data processing equipment including **media** software and peripherals used in conjunction with such equipment belonging to the **Member** or for which the **Member** is responsible

Covered equipment

means equipment owned by the **Member** or for which the **Member** is responsible built to operate under vacuum or pressure (other than weight of contents) or used for the generation transmission or utilisation of energy including but not limited to

- (a) heating systems and hot water heaters
- (b) air circulation ventilation air conditioning and non-process refrigeration systems
- (c) electrical panels emergency generators and electrical distribution systems
- (d) security alarm systems
- (e) lifts and escalators
- (f) office equipment including telephone systems fax machines copiers and printers
- (g) retail equipment bar-code scanners credit and debit card payment systems and cash registers
- (h) forklift trucks at the **premises**
- (i) **computer equipment**

Excluding

- (i) any structure foundation masonry brickwork cabinet compartment or air supported structure or building
- (ii) any insulating or refractory material
- (iii) any sewer piping underground vessels or piping or piping forming a part of a sprinkler system
- (iv) any water piping other than boiler feedwater

piping boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system

- (v) any vehicle or mobile lifting equipment (other than forklift trucks at the **premises**) or aircraft or floating vessel including any equipment mounted on such vehicle or mobile lifting equipment or aircraft or floating vessel
- (vi) any dragline excavation or construction plant or equipment
- (vii) any tool die cutting edge crushing surface trailing cable non-metallic lining driving belt or band or any other part of **covered equipment** which is exchangeable and requires periodic renewal
This exclusion is limited to **damage** involving those parts themselves and shall not apply to other resultant **damage**
- (viii) any equipment manufactured by the **Member** for sale
- (ix) kitchen and food preparation equipment laundry and cleaning equipment audio-visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters
- (x) fixed aerials satellite dishes wind turbines and solar panels

Explosion

means the sudden and violent rending of the **covered equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **covered equipment** together with forcible ejection of the contents

Hazardous substance

means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency

Media

means all forms of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment

Cover

The **Mutual** may provide discretionary indemnity to the **Member** (by payment up to the value of **covered equipment** at the time of the **damage** or

at the **Mutual's** option by repair reinstatement or replacement) in respect of **damage** to **covered equipment** at the **premises** by any **accident** happening during the **cover period**

The **Mutual's** discretionary indemnity in any one **cover period** shall not exceed the sum covered under the Property damage section of this **Cover Wording** for each item of **covered equipment** nor in all the total sum covered subject to the maximum amount below

Maximum amount

The total amount the **Mutual** may pay as discretionary indemnity in respect of this section shall not exceed £5,000,000 in any one **cover period** subject to a limit of £250,000 any one **cover period** for **computer equipment**

If an initial **accident** causes other **accidents** all will be considered one **accident**

All **accidents** that are the result of the same event will be considered one **accident**

Extensions

The discretionary **Cover** by this section is extended to include the following

These extensions do not increase the limits or sums covered that apply

1 Computer equipment

Damage caused by or resulting from an **accident** to **computer equipment** occurring whilst anywhere in the European Union but only whilst in the custody or control of the **Member** or an employee of the **Member**

Limit

£250,000 any one **cover period**

2 Reinstatement of data

The **Mutual** may pay the costs the **Member** incurs in reinstating data that is lost or damaged as a consequence of an **accident** to **computer equipment**

Providing that

- (a) the **Mutual's** discretionary indemnity is limited solely to the cost of reinstating data to **media**
- (b) the **Mutual** will not consider claims for any losses discovered later than 180 days after the loss was initiated
- (c) the **Mutual** will not consider claims for loss or damage to software
- (d) the **Mutual** will not consider claims under this extension for costs more specifically described under the Increased cost of working extension
- (e) the **Member** complies with the Back-up records Special condition

Special condition – Back-up records

The **Member** shall maintain a minimum of 2 generations of verified back-up computer records taken at intervals no less frequently than 48 hours one copy as a minimum being held off site and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations

Limit

£25,000 any one **cover period**

3 Increased cost of working

The **Mutual** may pay costs necessarily and reasonably incurred by the **Member** for the sole purpose of avoiding or diminishing interruption or interference to the **Member's** computer operations as a consequence of an **accident** to **computer equipment**

Limit

£25,000 any one **cover period**

4 Business interruption

If the Business interruption section of this **Cover** is operative the **Mutual** may pay to the **Member** in respect of each item in the Business interruption section of the **Certificate of Entry** for the **Member** the loss occurring during the indemnity period (as defined in the Business interruption section) following an **accident** to **covered equipment** that results in the **business** being interrupted or interfered with

The **Mutual's** discretionary indemnity shall not exceed the sum covered for each item nor in all the total sum covered and in any event shall not exceed £30,000 any one **cover period**

5 Hazardous substances

Damage to **covered equipment** at the **premises** caused by contamination by a **hazardous substance** including any **additional expenses** incurred and if the Business interruption section of this **Cover** is operative loss occurring during the indemnity period (as defined in the Business interruption section) in consequence of the **business** carried on by the **Member** at the **premises** being interrupted or interfered with

Limit

£10,000 any one **cover period**

6 Expediting expenses

Reasonable costs necessarily incurred by the **Member** to make temporary repairs and expedite permanent repairs or permanent replacement of damaged **covered equipment**

Limit

£25,000 any one **cover period**

7 European Union and Public Authorities

(Including undamaged portions)

If in force the European Union and Public Authorities extension of the Property damage section applies to **covered equipment** damaged as a result of an **accident** subject to the limit of cover for this section

8 Loss avoidance measures

Reasonable costs necessarily incurred by the **Member** to take exceptional measures to prevent or mitigate impending **damage** to **covered equipment** as a result of an **accident**

Provided that

- (a) **damage** would reasonably be expected if such measures were not implemented
- (b) the **Mutual** is satisfied that **damage** has been avoided or mitigated by means of the exceptional measures
- (c) the amount which may be payable will be limited to the cost of **damage** which would have otherwise occurred
- (d) the terms conditions and exclusions of this **Cover** apply as if **damage** had occurred

- (e) if **damage** had occurred it would have resulted in a claim that would have been agreed by the **Mutual** under this section of the **Cover**

Limit

£5,000 any one **cover period**

9 Damage to own surrounding property

The **Mutual** may pay for **damage** to property belonging to the **Member** or in the **Member's** custody and control and for which the **Member** is responsible directly resulting from explosion or collapse of any steam boiler steam generator economiser superheater steam pipework or steam vessel

Limit

£1,000,000 any one **accident**

Memoranda

1 Reinstatement of property

The **Mutual** may not reinstate exactly or completely any property that is the subject of a claim but only as circumstances permit and in reasonably sufficient manner

The **Mutual** will not consider a claim in respect of any one of the items covered more than the sum covered

2 Reinstatement basis of settlement in the event of a claim

(Applicable unless stated otherwise in the **Member's Certificate of Entry**)

Subject to the following Special conditions the basis upon which the amount which may be payable in respect of **covered equipment** is to be calculated shall be the reinstatement of the **covered equipment** that is the subject of an **accident**

For this purpose 'reinstatement' means

- (a) the replacement of **covered equipment** that is the subject of an **accident** which provided the **Mutual's** discretionary indemnity is not increased may be carried out
 - (i) in a manner suitable to the **Member's** requirements
 - (ii) upon another site

- (b) the repair or restoration of **covered equipment** that is the subject of an **accident**

In the case of (a) or (b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special condition applicable to this memorandum

- 1 The **Mutual's** discretionary indemnity for the repair or restoration of **covered equipment** that is the subject of an **accident** shall not exceed the amount which may be payable for replacement of the **covered equipment**
- 2 No payment beyond the amount which may have been payable in the absence of this memorandum shall be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement shall have been actually incurred
- 3 All the terms and conditions of this **Cover** shall apply
 - (a) in respect of any claim which may be payable under this memorandum except in so far as they are varied hereby
 - (b) where claims may be payable as if this memorandum had not been incorporated

Exclusions

The **Mutual** will not consider claims in respect of

- (1) **damage** caused by or resulting from
 - (a) a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
 - (b) depletion deterioration corrosion erosion wear and tear or other gradually developing conditions

But if **damage** from an **accident** results the **Mutual** will consider a claim for that resulting **damage**
 - (c) mould fungus mildew or yeast
 - (d) the direct application of any tool or process during the course of repair maintenance inspection modification or overhaul
 - (e) installation erection dismantling re-siting transportation or removal of **covered equipment** other than re-siting

transportation or removal under its own power whilst at its operating site

- (f) accidental failure of the power supply
- (2) **damage to computer equipment** which is recoverable under a maintenance agreement warranty or guarantee
- (3) in respect of the Business interruption extension any delay in resuming operations resulting from the need to reconstruct or re-input data or programs on **media** nor for the costs incurred in so doing where the **Member** has not fully complied with the Special condition – Back-up records
- (4) any liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency of **covered equipment**
- (5) **damage** resulting from malicious persons riot civil commotion strikers locked-out workers or persons taking part in labour disturbances occurring in Northern Ireland
- (6) any **damage** or loss directly or indirectly caused by or in consequence of the act or order of any lawfully constituted authority
- (7) Definitions specific to this exclusion

Data

means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

Failure of a system

means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a **system** whether or not owned by the **Member** to operate at any time as desired as specified or as required in the circumstances of the **Member's** business activities

Microchip(s)

means a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontroller

System(s)

shall include 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

Virus

means programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a **system** transmitted between **systems** by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self-replication or not

Damage to

- (a) **data** (other than as provided for under the Reinstatement of data extension) 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) any items 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 **Member'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** or loss resulting from subsequent **damage** which itself results from a cause not otherwise excluded provided that such **damage** does not arise by reason of any malicious act or omission
- (8) **damage** cost or expense that is or can be covered elsewhere in this **Cover**
- (9) **damage** caused by or resulting from the deliberate act of any person carried out with the intention to cause **damage**
- (10) **damage** to livestock plants or perishable stock

3 Business interruption

The *Member's Certificate of Entry* will show if this section applies and the cover in force

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

For the purpose of these definitions any adjustments implemented in current cost accounting shall be disregarded

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the *Member's Certificate of Entry*) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Adjusted

means adjusted as necessary to provide for the trend of the *business* and any other circumstances affecting the *business* either before or after the *damage* or which would have affected the *business* had the *damage* not occurred so that the adjusted figures represent as near as possible the results which would have been obtained during the relative period after the *damage* had the *damage* not occurred

Annual rent receivable or annual revenue

means the *rent receivable* or *revenue* during the 12 months immediately before the date of the *damage adjusted*

Computer equipment

means equipment that is electronic computer or other data processing equipment including all forms of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment software and peripherals used in conjunction with such equipment belonging to the *Member* or for which the *Member* is responsible

Covered events

means unless stated otherwise in the *Member's Certificate of Entry* those events which are covered by the Property damage section

For the purpose of this section 'explosion' shall include explosion of any boiler or economiser on the *premises*

Damage

means destruction or damage caused by any of the *covered events*

Estimated revenue or estimated rent receivable

means the *Member's* estimate of *revenue* or *rent receivable* which the *Member* anticipates the *business* will earn during the financial year most closely corresponding with the *cover period* (proportionately increased if the maximum indemnity period exceeds 12 months)

Indemnity period

means the period beginning with the occurrence of the *damage* and ending not later than the expiry of the maximum indemnity period during which the results of the *business* are affected as a result of the *damage*

Rent receivable

means the amount of the rent and service charges received or receivable from the letting of the *premises*

Revenue

means the money paid or payable to the **Member** for services rendered in the course of the **business** at the **premises** less any expenses shown as excluded on the **Member's Certificate of Entry**

Standard rent receivable or standard revenue

means the **rent receivable** or **revenue** during the period corresponding with the **indemnity period** in the 12 months immediately before the date of the **damage** proportionately increased where the maximum indemnity period exceeds 12 months **adjusted**

Suppliers

means suppliers to the **Member** of goods or services other than electricity gas water or telecommunications services

Cover

If any building or property used by the **Member** at the **premises** suffers **damage** during the **cover period** and as a result the **business** at the **premises** is interrupted or interfered with the **Mutual** may pay to the **Member** the following

For each item in the **Member's Certificate of Entry** the amount of loss as a result of the interruption or interference

Provided that

- (1) the **Mutual's** discretionary indemnity shall not exceed the sum covered for each item nor in all the total sum covered
- (2) at the time of the **damage** there is cover in force on a discretionary basis or otherwise covering the **Member's** interest in the property at the **premises** against **damage** and payment shall have been made or liability admitted or agreed under that cover (but this proviso shall not apply if no payment is made solely due to an **excess**)

Amount payable

Revenue or Rent receivable items

The amount which the **Mutual** may agree to pay is limited to

- (a) loss of **revenue** or loss of **rent receivable**
- (b) additional expenditure occurring during the **indemnity period** and the amount which the **Mutual** may agree to pay shall be
 - (i) for loss of **revenue** or **rent receivable** the amount by which the **revenue** or **rent receivable** during the **indemnity period** shall as a result of the **damage** fall short of the **standard revenue** or **standard rent receivable**
 - (ii) additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **revenue** or **rent receivable** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage** but not exceeding the amount of the reduction in **revenue** or **rent receivable** avoided

less any sum saved during the **indemnity period** for such expenses of the **business** payable out of **revenue** or **rent receivable** which cease or are reduced as a result of the **damage**

Provided that the amount which the **Mutual** may agree to pay shall be proportionately reduced if the sum covered by the relevant item is less than the appropriate

- (a) **annual revenue** or
- (b) **annual rent receivable**

or a proportionately increased multiple of the above where the maximum indemnity period exceeds 12 months

If the sums covered are declaration-linked the above provision does not apply nor proviso 1 under 'Cover' and the **Mutual's** discretionary indemnity for any **estimated revenue** or **estimated rent receivable** shall not exceed 133 ⅓% of the estimated figure shown in the **Member's Certificate of Entry**

In the absence of written notice by the **Member** or the **Mutual** to the contrary the **Mutual's** discretionary indemnity shall not be reduced by the amount of any loss provided that the **Member** pays the appropriate additional **contribution** for such automatic reinstatement of cover

Amount payable

Additional cost of working items

The amount which the **Mutual** may agree to pay is limited to additional cost of working occurring during the **indemnity period** and the amount which may be payable shall be the additional expenditure necessarily and reasonably incurred in order to minimise any interruption or interference with the **business** during the **indemnity period**

The **Mutual** will not consider claims for more than 33 ⅓% of the sum covered during the first quarter of the maximum indemnity period and not more than an equal proportion of the balance of the sum covered payable per month in the remainder of the maximum indemnity period

Alternative trading clause

If during the **indemnity period** services are provided goods are sold or the **business** is conducted elsewhere than at the **premises** for the benefit of the **business** either by the **Member** or by others on the **Member's** behalf the money paid or payable for such services sales or rent will be taken into account in arriving at the **revenue** or **rent receivable** during the **indemnity period**

Professional accountants' charges

Any details contained in the **Member's** business books which are requested by the **Mutual** for the purpose of dealing with the **Member's** claim can be produced by the **Member's** professional accountants and their report shall be accepted as evidence of these details

The **Mutual** may pay to the **Member** the reasonable charges payable by the **Member** to the **Member's** professional accountants for producing these details or any other information requested by the **Mutual**

The sum of the amount which the **Mutual** may agree to pay under this clause and the amount which may otherwise be payable under this section shall not exceed the sum covered

Payments on account

Payments on account may be made during the **indemnity period**

Extensions

The **Cover** by this section is extended to cover loss resulting from interruption of or interference with the **business** carried on by the **Member** at the **premises** as a result of the following

Unless specifically stated otherwise these extensions do not increase the **Mutual's** discretionary indemnity as stated in the Cover paragraph to this section

1 Prevention of access

Access to or use of the **premises** being prevented or hindered by

- (a) **damage** to neighbouring property by any of the **covered events**
- (b) any action of Government Police or Local Authority due to an emergency which could endanger human life or neighbouring property

Excluding

- (i) any loss covered under the Utilities extension
- (ii) any period when access to the **premises** was not prevented or hindered
- (iii) closure or restriction in the use of the **premises** due to the order or advice of the competent local authority as a result of an occurrence of an infectious disease (or the discovery of an organism resulting in or likely to result in the occurrence of an infectious disease) food poisoning defective drains or other sanitary arrangements or vermin or pests

The **Mutual's** discretionary indemnity for any one occurrence shall not exceed the sum covered by the items or any limit of cover shown in the **Member's Certificate of Entry**

2 Utilities

Damage by any of the **covered events** at any

- (a) generating station or sub-station of the **Member's** electricity supplier
- (b) land-based premises of the **Member's** gas supplier or any directly linked natural gas producer
- (c) water works or pumping station of the **Member's** water supplier
- (d) land-based premises of the **Member's** telecommunications services provider

The **Mutual's** discretionary indemnity for any one occurrence shall not exceed the sum covered by the items or any limit of cover shown in the **Member's Certificate of Entry**

3 Suppliers' extension

Damage by any of the **covered events** at the site of the following all within the **geographical limits**

- (a) any **supplier** specified in the **Member's Certificate of Entry** up to the limit shown against their name
If the limit is expressed as a percentage this is a percentage of the relevant sum covered or a percentage of 133 ⅓% of the relevant estimate but not exceeding £100,000 any one incident
- (b) any of the **Member's suppliers** other than as stated in (a)
Limit £50,000 any one incident
- (c) any of the **Member's** storage sites
Limit £50,000 any one incident

4 Customers' extension

Damage by any of the **covered events** at the site of any of the **Member's** customers within the **geographical limits**

Limit
£15,000 any one incident

5 Failure of supply

Failure of the supply to the **Member's premises** of electricity gas or water from any cause other than the deliberate act of the supplier in withholding or restricting supply

Excluding any restriction of use of less than 4 hours

Limit
£10,000 any one incident

6 Failure of telecommunication services

Failure of the telecommunication services at the **premises** following **damage** of or to telecommunications property anywhere in the **geographical limits**

Excluding any restriction of use of less than 4 hours

Limit
£10,000 any one incident

7 Bomb scare

Any bomb scare at or in the vicinity of the **premises**

For the purpose of this extension the General exclusion Terrorism does not apply

Limit
£5,000 for any one incident

8 Reinstatement of data

The **Mutual** may pay the costs the **Member** incurs in reinstating data that is lost or damaged as a consequence of **damage to computer equipment** at the **Member's premises**

Providing that

- (a) the **Mutual's** discretionary indemnity is limited solely to the cost of reinstating data to any form of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment
- (b) the **Mutual** will not consider claims for any losses discovered later than 180 days after the loss occurred
- (c) the **Mutual** will not consider claims for loss or damage to software
- (d) the **Mutual** will not consider claims under this extension for costs more specifically described under Computers – Increased cost of working extension
- (e) the **Member** complies with the Back-up records Special condition

Special condition – Back-up records

The **Member** shall maintain a minimum of 2 generations of verified back-up computer records taken at intervals no less frequently than 48 hours one copy as a minimum being held off site and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations

Limit

£25,000 any one **cover period**

9 Computers – Increased cost of working

The **Mutual** may pay costs necessarily and reasonably incurred by the **Member** for the sole purpose of avoiding or diminishing interruption or interference to the **Member's** computer operations as a consequence of **damage to computer equipment** at the **Member's premises**

Limit

£25,000 any one **cover period**

10 Other venues

Damage by any of the **covered events**

- (a) occurring at any premises not in the **Member's** occupation within the **geographical limits** where the **Member** is holding or participating in an event or exhibition
- (b) to the **Member's** property for use in connection with the event or exhibition whilst at the **Member's premises** or whilst in transit by road rail or inland waterway

Limit

£10,000 any one incident

11 Book debts

If following **damage** to the **Member's** records at the **premises** by any of the **covered events** the **Member** is unable to trace outstanding debit balances owed to the **Member** the **Mutual** may indemnify the **Member** for such loss as follows

- (a) the difference between the total outstanding debit balances and the total of the amounts received or traced for such balances
- (b) additional expenditure incurred with the **Mutual's** previous consent in tracing and establishing customers' debit balances after the **damage**
- (c) for reasonable professional accountants' charges necessarily incurred in providing any evidence required by the **Mutual** in support of a claim

excluding loss arising from misfiling erasure distortion deliberate falsification of business records abnormal conditions of trade or from bad debts

Limit

£50,000 (plus any additional book debts sum covered shown in the **Member's Certificate of Entry**) any one claim

Special condition

The **Member** shall keep a record of the total amount outstanding in customers' accounts as at the end of each month and within 30 days of the end of each month deposit this record in a building other than that in which the original records are kept

12 Specified disease murder food poisoning defective sanitation vermin

- (a) any occurrence of a **specified disease** at the **premises**
- (b) any discovery of an organism at the **premises** resulting in or likely to result in the occurrence of a **specified disease**
- (c) any injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided at the **premises**
- (d) any accident causing defects in drains or other sanitary arrangements at the **premises**
- (e) any discovery of vermin or pests at the **premises** which causes restrictions in the use of the **premises** on the order or advice of the competent local authority
- (f) murder rape or suicide at the **premises**

Definition specific to this extension

Specified disease

means

Acute encephalitis
 Acute poliomyelitis
 Anthrax
 Cholera
 Diphtheria
 Dysentery
 Legionellosis
 Legionnaires' disease
 Leprosy
 Leptospirosis
 Malaria
 Measles
 Meningitis
 Meningococcal septicaemia (without meningitis)
 Mumps
 Ophthalmia neonatorum
 Paratyphoid fever
 Plague
 Rabies
 Relapsing fever
 Rubella
 Scarlet fever
 Smallpox
 Tetanus
 Tuberculosis
 Typhoid fever

Typhus fever
 Viral haemorrhagic fever
 Viral hepatitis
 Whooping cough
 Yellow fever

Special conditions applicable to this extension

- (i) The **Mutual** will not consider claims under this extension for any costs incurred in the cleaning repair replacement recall or checking of property
- (ii) The **Mutual** will only consider claims for the loss arising at those **premises** which are directly affected by the occurrence discovery or accident. In the event that the cover includes an extension which deems **damage** at other locations to be **damage** at the **premises** such extension shall not apply to this extension
- (iii) **Indemnity period** shall mean the period during which the results of the **business** shall be affected in consequence of the occurrence discovery or accident beginning with the date from which the restrictions on the **premises** are applied (or in the case of (f) above with the date of occurrence) and ending not later than three months thereafter
- (iv) Provided that the **Mutual's** discretionary indemnity under this extension in respect of any one occurrence discovery or accident shall not exceed the lesser of £250,000 or 25% of a) the sum covered by the items or b) the limit of the **Mutual's** discretionary indemnity by the items if the declaration-linked basis applies

13 Death of Patron

- (a) death of the **Member's** Patron before the age of 70
- (b) the **Member's** Patron being subject to a criminal investigation or offending public taste during the **cover period**

Limit

£25,000 any one **cover period**

For the purposes of this extension the maximum indemnity period is three months

In respect of (b) the **indemnity period** commences from the date the criminal investigation or act offending public taste became public knowledge

Memorandum

Index-linking

The sum covered for each item covered (but not extension limits) under this section other than **rent receivable** and additional cost of working items shall be adjusted in accordance with a suitable index selected by the **Mutual**

The annual renewal **contribution** will be amended accordingly

Special conditions

1 Renewal clause

– Declaration-linked basis

The **Member** shall prior to each renewal supply the **Mutual** with the **estimated revenue** or **estimated rent receivable** for the financial year most closely corresponding with the ensuing **cover period**

2 Contribution adjustment clause

(a) Sum covered basis

If the **Member's revenue** or **rent receivable** (or a proportionately increased multiple of it where the maximum indemnity period exceeds 12 months) as certified by the **Member's** auditors for the financial year of 12 months most closely corresponding with any **cover period** is less than the sum covered a pro rata return of **contribution** not exceeding 50% of the **contribution** paid on each sum covered for such **cover period** will be made for the difference

If any **damage** has occurred resulting in a claim the return **contribution** will be for the difference in **revenue** or **rent receivable** which is not due to the **damage**

(b) Declaration-linked basis

The first and annual **contributions** are provisional and are based on the **estimated revenue** or **estimated rent receivable**

The **Member** shall supply the **Mutual** within six months of the expiry of each **cover period** a declaration certified by the **Member's** auditors of the **Member's revenue** or **rent receivable** for the financial year most closely corresponding with the **cover period**

If any **damage** has occurred resulting in a claim for loss of **revenue** or **rent receivable** the above-mentioned declaration will be increased by the **Mutual** for the purpose of **contribution** adjustment by the amount by which the **revenue** or **rent receivable** was reduced during the financial year solely in consequence of the **damage**

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

- (i) less than the **estimated revenue** or **estimated rent receivable** for the relative **cover period** the **Mutual** may allow a pro rata return of **contribution** paid on the **estimated revenue** or **estimated rent receivable** but not exceeding 50% of such **contribution**
- (ii) greater than the **estimated revenue** or **estimated rent receivable** for the relative **cover period** the **Member** shall pay a pro rata addition to the **contribution** paid on the **estimated revenue** or **estimated rent receivable**

4 Liabilities

The Member's Certificate of Entry will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the **Member's Certificate of Entry**) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Act of terrorism

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

Bodily injury

means bodily injury death disease or illness

Business

means that which has been described in the **Member's Certificate of Entry** and which is conducted solely from premises in the **geographical limits** including

- (a) the ownership repair and maintenance of the **Member's** property and premises
- (b) the provision of catering social sports and welfare facilities for **employed persons** and first aid medical and ambulance services
- (c) the provision of fire and security services maintained only for the protection of premises owned or occupied by the **Member**
- (d) private work undertaken by an **employed person** with the **Member's** prior consent for a director trustee partner or **employee** of the **Member**
- (e) participation in trade shows or exhibitions within the European Union
- (f) fund raising activities undertaken with the full knowledge and authority and under the control of the **Member** anywhere within the **geographical limits**

but this does not include any work undertaken **offshore**

Data

means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

Employed person

means

- (a) any **employee**
- (b) any person supplied to or hired or borrowed by the **Member** or on the **Member's** behalf or any work experience student or youth training scheme participant while under the **Member's** direct control and supervision

Employee(s)

means any person under a contract of service or apprenticeship with the **Member** and **authorised volunteers**

Event(s)

means one occurrence or series of occurrences arising from or attributable to one source or original cause

Injury

means **bodily injury** wrongful arrest or false imprisonment

Legal costs

means

- (a) claimant's costs and expenses recoverable from the **Member** in respect of any claim which is the subject matter of a claim under this section of this **Cover**
- (b) (i) the costs of legal representation at
 - (1) any coroner's inquest or inquiry in respect of any death
 - (2) proceedings in any court arising out of any alleged breach of statutory duty which may be the subject of a claim under this section of the **Cover**
- (ii) all other costs and expenses in relation to any matter which may form the subject of a claim under this section of the **Cover** incurred with the **Mutual's** prior written consent

Member/Member's

means the **Member** named in the **Member's Certificate of Entry**

Unless the **Mutual** specifically states otherwise the **Mutual** may also pay

- (a) the **Member's** personal representatives in respect of legal liability incurred by the **Member**
 - (b) at the **Member's** request
 - (i) any **principal**
 - (ii) any director trustee committee member lodge member partner or **employed person** of the **Member**
- in respect of liability for which the **Member** may have been entitled to **Cover** had the claim been made against the **Member**
- (c) any officer or member of the **Member's** canteen social sports and welfare facilities and fire first aid ambulance and security services in their individual capacities as such
 - (d) any director trustee partner or **employee** of the **Member** in respect of private work carried out with the **Member's** prior consent by an **employed person** for such director trustee partner or **employee**

The **Mutual** does not provide **Cover** for any medical or dental practitioner in respect of medical services provided

Offshore

means embarkation onto a vessel or aircraft for conveyance to an offshore rig platform or service or accommodation vessel until disembarkation from the conveyance onto land upon return from such offshore rig platform or service or accommodation vessel

Pollution or contamination

means **injury** or **damage** directly or indirectly caused by or arising out of pollution or contamination of buildings or other structures or of water land or the atmosphere

Principal

means any party (other than a director trustee partner or **employee** of the **Member**) on whose behalf the **Member** is undertaking work (excluding the sale or supply of **products**) in connection with the **business**

Products

means goods (including containers and packaging) not in the **Member's** custody or control sold supplied installed erected serviced repaired altered or treated by the **Member** in connection with the **business**

Any error in the sale supply or presentation of such goods is included in this definition

Property

means material property but this does not include **data**

Cover 1 – Employers' liability

Claims under this section will be dealt with by the **Mutual** up to the **Mutual's** retention as set out in the **Member's Certificate of Entry**

This section also represents the insurance policy as provided by the **Insurer** and confirmed by their certificate of insurance issued to each **Member** in order that they may comply with their statutory obligations. In such case 'the **Insurer**' replaces 'the **Mutual**' and the words 'will provide' should be read in place of the words 'may provide' and 'indemnity' in place of 'discretionary indemnity'

If the **Member** has any reason to complain to the **Insurer** the **Member** can complain to the **Insurer** in writing or orally to:

Builders Direct S.A.

c/o Regis Mutual Management Limited

7 Maltings Place

169 Tower Bridge Road

London SE1 3JB

Telephone: 0207 099 2572

Email: complaints@rmml.com

The **Insurer** will aim to resolve the **Member's** complaint within one business day.

To resolve the **Member's** complaint the **Insurer** will:

- investigate the **Member's** complaint diligently and impartially.
- keep the **Member** informed of the progress of the investigation.
- for more complex issues, the **Insurer** may need a little longer to investigate and the **Insurer** may ask the **Member** or the **Mutual** for further information to help the **Insurer** reach a decision.
- respond in writing to the **Member's** complaint as soon as possible.

If the **Member** is not satisfied with the **Insurer's** response, or if the **Insurer** has not completed the investigation within eight weeks, the **Insurer** will inform the **Member** of its right to take the complaint to:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR

Tel: 0800 0 234 567

Email: complaint.info@financial-ombudsman.org.uk

Web: www.financial-ombudsman.org.uk

This complaints handling procedure does not affect the **Member's** right to take legal proceedings.

The Financial Services Compensation Scheme (FSCS)

The **Insurer** is covered by The Financial Services Compensation Scheme (FSCS). The FSCS is the independent body, set up by government, which gives you your money back if your financial services provider authorised by the Prudential Regulation Authority goes bust. The FSCS protects a range of products for both individuals and small businesses. Limits apply depending on the product you have bought. The FSCS does not charge individual consumers for using its service. The FSCS cannot help you if the firm you have done business with is still trading.

For further information on the scheme you can visit the website at:

www.fscs.org.uk

or write to:

Financial Services Compensation Scheme
10th Floor, Beaufort House,
15 St Botolph Street,
London EC3A 7QU.

Tel 0207 741 4100 or 0800 678 1100

Fax 0207 741 4101

Email enquiries@fscs.org.uk

Cover

Cover 1 is provided on a 'Costs Inclusive' basis

This means that **legal costs** are included within the cover limit specified in the **Member's Certificate of Entry**

The **Mutual** may provide discretionary indemnity to the **Member** against the **Member's** legal liability to

pay damages and **legal costs** arising out of **bodily injury** to an **employed person** caused during the **cover period**

- (a) within the **geographical limits**
or
- (b) while temporarily outside these territories in connection with the **business**

The total amount the **Mutual** may pay in respect of

- (a) any one **event** which is directly or indirectly caused by results from or is in connection with an **act of terrorism** shall not exceed £5,000,000

If the **Mutual** alleges the **bodily injury** has resulted from **act of terrorism** the burden of proving the contrary shall be upon the **Member**

- (b) any other **event** shall not exceed the cover limit shown in the **Member's Certificate of Entry**

This cover complies with the provisions of any law enacted in the **geographical limits** relating to the compulsory insurance of liability to employees

The **Member** will repay any sums paid by the **Mutual** or the **Insurer** which the **Mutual** would not have agreed to pay or the **Insurer** would not have been obliged to pay but for the provisions of such law

Employers' liability extension

The **Cover** by this Cover 1 is extended to include the following

Unsatisfied court judgments

Where a judgment for damages has been obtained

- (a) by one of the **Member's employees** or their personal representatives in respect of **bodily injury** caused during any **cover period** and which arises out of and in the course of their employment with the **Member**
 - (b) in any court situated within the geographical limits
 - (c) against any entity or individual operating from premises within the **geographical limits**
 - (d) which remains unsatisfied in whole or in part six months after the date of the judgment
- the **Mutual** may at the **Member's** request pay to the **employee** or their personal representatives the amount of damages and any awarded costs which remain unsatisfied subject to there being no appeal outstanding

Any payment under this extension is conditional upon the judgment being assigned to the **Mutual** by the **employee** or their personal representatives

Employers' liability exclusion

No cover will be provided in respect of any liability in respect of **bodily injury** for which the **Member** is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Union

Cover 2 – Public & products liability

Cover 2 is provided on a 'Costs in Addition' basis

This means that (with the exception of claims which are brought within the legal jurisdiction of the United States of America or Canada) **legal costs** may be payable in addition to the limit of discretionary indemnity specified in the **Member's Certificate of Entry**

Cover

The **Mutual** may indemnify the **Member** against the **Member's** legal liability to pay damages arising out of

- (a) accidental **injury** of any person
- (b) accidental **damage** to **property**
- (c) nuisance trespass to land trespass to goods or interference with any easement of air light water or way

The **Mutual** will not consider any claim in respect of any liability which arises from any deliberate act or omission by the **Member** which could reasonably have been expected having regard to the nature and circumstances of such act or omission or which is a natural consequence of the ordinary conduct of the **Member's business** happening during the **cover period** and caused either in connection with the **business** or by **products**

The **Mutual** may in addition indemnify the **Member** against **legal costs** other than in respect of any claim which is brought within the legal jurisdiction of the United States of America or Canada in which circumstances **legal costs** shall be included within the cover limit

The total amount the **Mutual** may pay in respect of damages for

- (a) any one **event** (and all **events** happening during any **cover period** caused by **products**) which is directly or indirectly caused by or results from or is in connection with an **act of terrorism** or any action taken in controlling preventing suppressing or in any way relating to an **act of terrorism** shall not exceed the Public & products cover limit as stated in the **Member's Certificate of Entry** or £5,000,000 whichever is the less
If the **Mutual** alleges that the **injury** or **damage** has resulted from an **act of terrorism** the burden of proving the contrary shall be upon the **Member**
- (b) any other **event**
- (c) all other **events** happening during any **cover period** caused by **products**
- (d) all **events** arising from **pollution or contamination** which the **Mutual** deems to have occurred during any **cover period** shall not exceed the cover limit shown in the **Member's Certificate of Entry**

Where the **Mutual** agrees to indemnify more than one person the total amount of discretionary indemnity to all parties including the **Member** in respect of damages arising from one **event** shall not exceed the cover limit shown in the **Member's Certificate of Entry**

Public & products liability extensions

The **Cover** by this Cover 2 is extended to include the following

1 Cross liabilities

If the **Member** consists of more than one party (and in the case of partnerships this shall mean each individual partner) the **Mutual** may indemnify each party in the terms of this **Cover** against liability incurred to the other in the same manner and to the same extent as if a separate **Cover** had been issued to each subject to the maximum amount payable in respect of damages arising out of one **event** not exceeding the cover limit

2 Contingent motor liability

Notwithstanding exclusion 4 regarding vehicles the **Mutual** may indemnify the **Member** alone in respect of legal liability for **injury** or **damage** arising out of the use by any **employee** in the course of the **business** of any mechanically propelled vehicle which is neither owned by nor provided by the **Member**

The **Mutual** will not consider claims in respect of

- (a) **damage** to such vehicle or any **property** contained or being transported within it
- (b) **injury** or **damage** arising while the vehicle is being driven by the **Member** or any person who to the **Member's** knowledge does not hold a licence to drive such a vehicle (unless they have held and are not disqualified for holding or obtaining such a licence)
- (c) circumstances where the **Member** is entitled to claim somewhere else
- (d) **injury** or **damage** arising outside the **geographical limits**

3 Data Protection

The **Mutual** may indemnify the **Member** against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Article 82 of the General Data Protection Regulation (EU 2016/679) and Sections 168 and 169 of the Data Protection Act 2018

This extension is subject to the **Member** being registered in accordance with the Act or having applied for such registration which has not been refused or withdrawn and that the **Member** has taken all reasonable care to comply with its

- (a) the payment of fines or penalties requirements
 - (b) the costs of replacing reinstating rectifying
- The **Mutual** will not consider claims in respect of
- (c) liability arising from or caused by a deliberate or intentional act by or omission of any person entitled to claim
 - (d) claims arising out of circumstances which have been notified to previous providers of cover or which were known to the **Member** at the inception of this extension
 - (e) legal liability which can be claimed for somewhere else

4 Defective Premises Act

The **Mutual** may indemnify the **Member** against legal liability incurred by virtue of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of **injury** or **damage** which occurs within a period of seven years from the expiry or cancellation of this **Cover**

No cover will be provided

- (a) if the **Member** is entitled to claim somewhere else
- (b) in respect of the cost of remedying any defect or alleged defect in the premises disposed of

5 Personal liability – residents and resident staff

At the **Member's** request the **Mutual** may indemnify the **Member's** resident staff and the **Member's** residents against their legal liability to pay damages and **legal costs** arising out of accidental **injury** or accidental **damage** happening during the **cover period** within the **geographical limits** arising solely in a personal capacity

The total amount the **Mutual** may pay in respect of damages for any one **event** is the Public liability & products cover limit as stated in the **Member's Certificate of Entry** or £5,000,000 whichever is the less

The cover provided by this extension is extended to apply anywhere in the world for a period not exceeding 60 days in any one **cover period**

The **Mutual** will not consider claims under this extension

- (i) arising out of the ownership or occupation of land or buildings
- (ii) for anything which can be claimed for somewhere else
- (iii) arising from any craft designed to travel in on or through water air or space but this exclusion shall not apply to any watercraft hired or borrowed and which are less than 5 metres in length and with a maximum speed of less than 15 knots while operated on inland waterways or within 3 miles of the coast

- (iv) arising from any electrically or mechanically powered vehicle other than a battery powered wheelchair or mobility scooter or a vehicle used only as domestic gardening equipment or a golf cart trolley or buggy controlled by someone on foot

6 Overseas personal liability

The **Mutual** may indemnify the **Member** for personal liability for **injury** or **damage** arising other than in connection with the **business** or any business of the person claiming indemnity while such persons are temporarily outside the **geographical limits** in connection with the **business**

The **Mutual** will not consider claims under this extension

- (i) for any liability which attaches solely because of a contract
- (ii) arising out of the ownership or occupation of land or buildings
- (iii) for anything which can be claimed for somewhere else
- (iv) arising from any craft designed to travel in on or through water air or space but this exclusion shall not apply to any watercraft hired or borrowed and which are less than 5 metres in length and with a maximum speed of less than 15 knots while operated on inland waterways or within 3 miles of the coast
- (v) arising from any electrically or mechanically powered vehicle other than a battery powered wheelchair or mobility scooter or a vehicle used only as domestic gardening equipment or a golf cart trolley or buggy controlled by someone on foot

The **Mutual** may in addition indemnify the **Member** against **legal costs** other than in respect of any claim which is brought within the legal jurisdiction of the United States of America or Canada in which circumstances **legal costs** shall be included within the cover limit

The total amount the **Mutual** may pay for damages for any one **event** is the Public & products liability cover limit as stated in the **Member's Certificate of Entry** or £5,000,000 whichever is the less

7 Libel and slander

The **Mutual** may indemnify the **Member** against the **Member's** legal liability to pay damages and **legal costs** arising out of the publication or utterance by the **Member** or on the **Member's** behalf of a libel or slander

Provided that

- (a) a claim is first made against the **Member** during the **cover period**
- (b) all claims arising from a single libel or slander will be deemed to have been made during the period in which the first claim was accepted by the **Mutual**
- (c) the most the **Mutual** may pay under this extension including **legal costs** is £250,000 in any one **cover period**

The **Mutual** will not consider claims under this extension

- (i) for anything which can be claimed for somewhere else
- (ii) in respect of claims which arise out of circumstances notified to previous providers of cover or known to the **Member** at inception of this extension
- (iii) in respect of publications or utterances made at the direction of any party entitled to claim under this section with the knowledge of the libellous or slanderous effect thereof
- (iv) in respect of any criminal or intentional libel or slander
- (v) in respect of any legal actions brought in a court of law outside the **geographical limits**

8 Additional clean up costs

The **Mutual** may indemnify the **Member** against the **Member's** legal liability in respect of the cost of

- (a) **remediation** which the **Member** is legally required or ordered to conduct by a **regulatory authority**
- (b) reimbursing a **regulatory authority** where **remediation** has been conducted by or on behalf of the **regulatory authority**

arising from **pollution or contamination** caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific point in time and place during the **cover period** and in connection with the **business**

All **pollution or contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place

The **Member** shall be liable for 10% of the cost of any claim the **Mutual** agrees to pay under this extension subject to a minimum contribution of £2,500

The most the **Mutual** may pay under this extension shall not exceed £1,000,000 in the aggregate in respect of all incidents occurring during the **cover period**

Exclusion

The **Mutual** will not consider claims in respect of the removal or disposal of any waste deposited by or on the **Member's** behalf

Definitions specific to this extension

Environmental legislation

means any legislation enacted within the United Kingdom governing the

- (i) prevention and control of pollution and contamination
- (ii) protection of the environment

Regulatory authority

means any statutory authority regulator or legal body which has authority under **environmental legislation** to legally require or order **remediation** or to conduct **remediation** itself and to recover the costs of doing so from others

Remediation

means the minimum level of works or operations necessarily conducted under the provisions of the **environmental legislation** to investigate treat remove dispose of curtail or minimise pollution but this will not include any works or operations

- (i) to reinstate reintroduce or restore flora or fauna
- (ii) to restore natural habitats or species protected by **environmental legislation** or the services that those natural habitats or species perform
- (iii) which improve the state or condition of land or water in comparison with its state or condition

immediately prior to the incident that caused the **pollution or contamination**

9 Trustee and management liability

This cover only includes those losses which arise from claims made and notified to the **Mutual** during the **cover period**

- (a) The **Mutual** may indemnify
 - (i) the **trustee** against all sums which the **trustee** becomes legally liable to pay as damages and all other costs and expenses as a result of the **wrongful act** which gives rise to a claim made against the **trustee** and notified to the **Mutual** during the **cover period**
 - (ii) the **Member** against all sums which the **Member** is required or permitted by law to pay to or on behalf of the **trustee** for the **trustee's** legal liability for damages and all other costs and expenses as a result of the **wrongful act** which gives rise to a claim made against the **trustee** and notified to the **Mutual** during the **cover period**
- (b) The **Mutual** may indemnify the **Member** or **trustee** against all sums which the **Member** or **trustee** becomes legally liable to pay as damages and all other costs and expenses including reasonable costs incurred for restoration as a result of a document relating to the **business** being subject to **damage** which is discovered during the **cover period** and notified to the **Mutual** within 30 days of the discovery

Personal cover

1. The **Mutual** will treat
 - (a) the application for this cover as a separate application for cover by each **trustee**
 - (b) each claim made against any **trustee** and each loss suffered by any **trustee** as personal to that **trustee**
 - (c) each claim by any **trustee** as personal to that **trustee** and the consideration of a claim by each **trustee** to discretionary indemnity shall not be affected by the situation or conduct of anyone else
2. If the legal liability of the **trustee** is imputed or transferred to the lawful spouse of the **trustee**

or any person deriving similar status in law the **Mutual** may provide to that person the personal discretionary indemnity to which the **trustee** may otherwise be entitled to claim under this extension

3. If the **trustee** should die become insolvent or mentally incapacitated the **Mutual** may provide to the estate heirs legal representatives or assigns of the **trustee** the personal discretionary indemnity to which the **trustee** may be entitled to claim under this extension
4. If the lawful spouse of the **trustee** or any person deriving similar status in law is entitled to claim for any discretionary indemnity under 2 above and dies becomes insolvent or mentally incapacitated the **Mutual** may provide that person's estate heirs legal representatives or assigns the personal discretionary indemnity to which that person may be entitled to claim

The **Mutual** will not provide any cover in respect of

- (i) anything for which cover is provided under any other section of or extension to this **Cover Wording** or by any other source
- (ii) anything which was done when known to be a **wrongful act** or ignoring that possibility
- (iii) the consequences of any circumstances known by the **Member** or **trustee** at the commencement of this cover which may give rise to a claim
- (iv) liability arising from **bodily injury** to any person **damage** to property (other than as provided under paragraph (b) of this extension) or infringement of intellectual property rights
- (v) liability arising from the rendering of any counselling advice or other service
- (vi) anything done in the capacity of **trustee** or administrator of any pension fund or scheme
- (vii) any person committing or condoning any criminal dishonest or fraudulent act or omission
- (viii) liability assumed by agreement unless liability would have attached without such agreement
- (ix) liability arising from any failure to arrange or maintain insurance or other indemnity
- (x) any legal action brought in a court of law outside the **geographical limits**
- (xi) liability arising from any allegation of unfair or wrongful dismissal and any other employment dispute

- (xii) liability arising from anything manufactured sold or supplied by or on behalf of the **Member**
- (xiii) liability arising from any **wrongful act** subsequent to the effective date of takeover or merger of the **Member** by or with any other entity
- (xiv) liability arising from any
 - (a) personal guarantee or assurance given by the **trustee** to anyone (other than the **trustee** giving assurance that the **trustee** has the authority to do something) or
 - (b) agreement that the **trustee** shall pay any penalty or fixed sum of money to anyone unless the **trustee** would still be legally liable even if that guarantee assurance or agreement did not exist
- (xv) the first £250 of each and every claim made under this extension

The most the **Mutual** may pay under this extension in the **cover period** in respect of paragraph (b) is £50,000 and for all other claims £2,000,000

All claims resulting from a single **wrongful act** will be deemed to have been made during the period in which the first claim was accepted by the **Mutual**

Definitions specific to this extension

Trustee

means anyone who is at any time a

- (i) trustee
- (ii) director
- (iii) officer
- (iv) member of the management committee of the **Member**

Wrongful act

means any actual or alleged act which is wrongfully committed or attempted by the **trustee** when carrying out his or her duties as **trustee**

Special condition specific to this extension

The **Member** shall submit annual reports and accounts to their appropriate regulatory authority in accordance with prescribed timescales

In the event of the **Member's** auditor or independent examiner qualifying their opinion or expressing concerns about the **Member's** accounts accounting procedures or financial position in any of the **Member's** Report and Accounts notification of such qualification and

subsequent action taken by the **Member** and the **Member's** regulatory authority is to be notified to the **Mutual** as soon as reasonably possible

The cover provided by this extension is only in force if the **Member** has the authority to acquire this type of cover and the **Member** has fulfilled any requirements of the **Member's** Charity Regulator

10 Member to member liability

If any claim is made upon any member of the **Member** by any other member and is such that if made against the **Member** the **Member** may be entitled to claim for discretionary indemnity under this section the **Mutual** may indemnify the said member in respect of such claim provided that

- (a) such member is not entitled to claim elsewhere
- (b) such member shall as though he/she were the **Member** observe fulfil and be subject to the terms and conditions of this **Cover** so far as they can apply

Public & products liability exclusions

The **Mutual** will not consider claims for

- (1) any liability connected with any error or omission in the provision of professional services
- (2) any liability arising from **bodily injury** to any **employed person** caused in connection with the **business**
- (3) any liability arising from **damage** to **property** which is owned or held in trust by the **Member** or which is in the **Member's** custody or control
Exclusion (3) will not apply in respect of
 - (a) personal effects including vehicles and their contents belonging to **employees** directors trustees partners or visitors
 - (b) premises and their contents not owned by leased or rented by the **Member** at which the **Member** is undertaking work in connection with the **business**
 - (c) premises including fixtures and fittings hired by or leased rented or borrowed by the **Member** but the **Mutual** will not consider claims for
 - (i) the first £250 of any **damage** other than caused by fire or explosion

- (ii) any liability arising solely under the terms of any contract or agreement
- (iii) any liability which arises from an agreement to maintain in force cover on a discretionary basis or otherwise against loss of or damage to the premises and their fixtures and fittings
- (4) any liability arising from ownership possession or use by the **Member** or on the **Member's** behalf of
 - (a) any mechanically propelled vehicle but (except where cover is provided by any motor insurance policy or in circumstances where insurance or security is required under any road traffic legislation) this exclusion will not apply in respect of
 - (i) the use of plant as a tool of trade on site
 - (ii) the use of plant at the **Member's** premises
 - (iii) the loading or unloading of any vehicle
 - (iv) the movement of any vehicle not belonging to the **Member** which is interfering with the execution of the **business**
 - (b) any craft designed to travel in on or through water air or space but this exclusion shall not apply to any non-mechanically propelled waterborne craft of less than 9 metres in length whilst operated on inland waterways or within 3 miles of the coast
- (5) any liability arising directly or indirectly from **pollution or contamination** unless the **pollution or contamination** is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the **cover period**
For the purposes of this exclusion all **pollution or contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place
- (6) any liability arising from advice design or specification provided whether given for a fee or not
- (7) **damage** to or the costs of recall removal repair alteration replacement or reinstatement of any **product** supplied or contract work executed by the **Member** which is caused by
 - (a) a defect
 - (b) its unsuitability for its intended purpose

- (8) any liability arising from any contract in respect of **products** supplied or contract work executed by the **Member** unless liability would have attached in the absence of that contract
- (9) the costs of remedying any defect or alleged defect in premises which the **Member** has disposed of
- (10) (a) fines or penalties
(b) liquidated damages
(c) any compensation awarded by a court of criminal jurisdiction
(d) multiplied aggravated exemplary or punitive damages
- (11) any liability arising from
(a) the ownership or use by the **Member** or on the **Member's** behalf of any premises situated in the United States of America or Canada
(b) **products** sold or supplied on the **Member's** behalf from any premises situated in the United States of America or Canada
(c) **products** exported by the **Member** or on the **Member's** behalf to the United States of America or Canada
- (12) any liability arising from
(a) **products** incorporated in any craft designed to travel through air or space
(b) **products** incorporated in any waterborne craft which could affect its safety navigation or propulsion
(c) **products** incorporated in mechanically propelled vehicles which could affect their safety
(d) **products** incorporated in gas chemical petrochemical or power generation plant which is directly connected to manufacture processing storage or power generation and which have been specifically supplied by the **Member** for that purpose
- (13) any liability arising from the supervision or execution of any manual work or contract undertaken outside the European Union
- (14) any liability arising directly or indirectly from mining processing manufacturing removing handling disposing of treatment of distributing or storing of **asbestos**
However this shall not apply where removing handling or disposing of **asbestos** does not

form part of the **Member's** usual business or any contract work undertaken and

- (a) the **Member** has complied with any legal obligations to manage **asbestos** and
(b) any discovery of **asbestos** by the **Member** is unintentional and accidental and
(c) whereupon discovery of **asbestos** all work immediately stops and
(d) a HSE licensed asbestos removal contractor is employed to make safe the area in which the discovery is made as soon as is practicable and who has Employers' and Public liability insurance in force which provides limits of indemnity no less than those provided by this **Cover** and which do not exclude the work to be carried out
- (15) any liability arising directly or indirectly from fears of the consequences of exposure to or inhalation of **asbestos**
- (16) any liability arising from damage to property where there is a requirement to arrange cover under clause 6.5 of the 2007 JCT conditions or any similar contract clause
- (17) any liability directly or indirectly caused by resulting from or in connection with an **act of terrorism** arising at
(a) **premises** of 40 storeys or more
(b) sports stadia exhibitions theatres or music venues where attendance may exceed 1,000 people at any one time

Liability section extensions

If in force the covers of this section are extended for the following and are subject to the terms conditions and exclusions of the relevant cover

1 Compensation for court attendance

If the **Mutual** requests any of the following categories of people to attend court as a witness in connection with a claim under this section of the **Cover** the **Mutual** may provide the **Member** with the following rates of compensation for each day on which attendance is required

Any of the **Member's** directors trustees or partners
£500

Any **employee** £250

2 Corporate manslaughter defence costs

The **Mutual** may indemnify the **Member** in respect of legal costs and expenses incurred with the **Mutual's** prior written consent in connection with the defence of any criminal proceedings or an appeal against conviction which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed during the **cover period** in the course of the **business**

Provided that

- (a) The **Mutual's** discretionary indemnity under this extension shall not exceed the Public & products liability cover limit as stated in the **Member's Certificate of Entry** or £5,000,000 whichever is the less in any one **cover period**. This limit will form part of and not be in addition to the cover limit stated in the **Member's Certificate of Entry**
- (b) where the **Mutual** has already agreed to provide a discretionary indemnity in respect of any **legal costs** incurred in the defence of any criminal proceedings arising out of the same **event** which has given rise to the proceedings in respect of corporate manslaughter or corporate homicide any amount already paid by the **Mutual** will be taken into account in calculating the **Mutual's** discretionary indemnity under this extension
- (c) the **Member** must obtain the **Mutual's** consent in writing to the appointment of any solicitor or counsel who is to act for and on the **Member's** behalf
- (d) any appeal can only commence if counsel has advised that it is more likely for an appeal to be successful than not

The **Mutual** will not consider claims

- (i) for defence costs that can be claimed for somewhere else or where but for the existence of this extension indemnity would have been made by someone else
- (ii) in respect of any proceedings which result from the **Member's** deliberate act or omission or deliberate act or omission of any trustees managerial employees partners directors of the

Member while acting in their corporate capacity and which could reasonably have been expected having regard to the nature and circumstances of such act or omission

- (iii) in respect of fines or penalties of any kind including the costs of remedial or publicity orders or the steps required to be taken by such orders

3 Public relations crisis management

In the event of any incident occurring during the **cover period** which results or could result in adverse publicity the **Mutual** may pay the reasonable costs necessarily incurred by the **Member** with the **Mutual's** prior written consent of employing a marketing and/or public relations firm to help minimise the risk of damage to the **Member's** reputation

Provided that

- (a) the incident in the **Mutual's** opinion could result in a claim under this section of the **Cover**
- (b) the **Member** takes all reasonable measures to avoid or mitigate adverse publicity

Limit

The most the **Mutual** may pay under this extension is £25,000 any one incident and in any one **cover period**

Prosecution defence costs

The **Mutual** may subject to the cover limit pay the **Member** in respect of

- (a) **legal costs** and expenses incurred with the **Mutual's** written consent
- (b) costs awarded against the **Member** in connection with the defence of any criminal proceedings or an appeal against a conviction arising from such proceedings brought for a breach of
 - (i) the Health & Safety at Work etc. Act 1974
 - (ii) Part II of the Consumer Protection Act 1987
 - (iii) the Food Safety Act 1990
 alleged to have been committed during the **cover period** in connection with the **business**

Exclusions

The **Mutual** will not consider claims

- (a) for anything covered somewhere else on a discretionary basis or otherwise
- (b) in circumstances where **injury** or **damage** has occurred which may be the subject of a claim under either the Employers' liability or Public & products liability covers of this section
- (c) in respect of fines or penalties of any kind
- (d) in respect of any costs expenses or reimbursements resulting from an order made under Section 9 or resulting from any Regulation in respect of charges under Section 45 of the Food Safety Act 1990
- (e) where the proceedings have resulted from any deliberate act or omission by
 - (i) the **Member** or any director trustee or partner of the **Member**
 - (ii) any **employee** of the **Member** who has specific responsibility for compliance with the above legislation which could reasonably have been expected to constitute a breach of the above legislation

Cover limit

The total amount the **Mutual** may pay in respect of any one claim shall not exceed £500,000

5 Trustee and management liability

The Member's Certificate of Entry will show if this section applies and the cover in force

This section covers only those losses which either arise from claims made during the **cover period** against those covered or are discovered and reported during the **cover period** by those covered

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the **Member's Certificate of Entry**) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Act of terrorism

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

Computer

means

- (a) any computer or other electronic data processing device equipment or system
- (b) any hardware software program instruction data or component utilised or intended to be utilised in or by anything in (a) above
- (c) any actual or intended function of or process performed by anything in (a) or (b) above

Cover period

means the cover period stated in the **Member's Certificate of Entry**

Denial of service attack

means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

This includes but is not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Document

means any deed will certificate plan book letter agreement or document of any type (other than any bearer bond coupon bank or currency note or other negotiable instrument) produced in any

- (a) printed or written format
or
 - (b) electronic format and of which a back-up copy has been made within seven days of its production and securely retained
- which relates to the **organisation** or **related body**

Employee

means anyone employed by the **organisation related body** or **trustee** under a contract of service or apprenticeship or directly engaged by the **organisation** or **related body** without payment to carry out at any time

- (a) on behalf of the **trustee** any duty concerning the **organisation** or **related body** or
- (b) any other managerial or supervisory duty concerning the **organisation** or **related body** or
- (c) any other work wholly or mainly for the charitable purposes of the **organisation**

Environmental defence costs

means legal costs charges and expenses reasonably incurred in obtaining advice and representation in the defence of any criminal proceedings which are initiated during the **cover period** in respect of any actual alleged or threatened seepage pollution or contamination of any kind

Covered entity

means the charity or organisation first named or identified as the **Member** in the **Member's Certificate of Entry**

Investigation costs

means legal costs charges and expenses reasonably incurred in obtaining advice and representation concerning any proceedings which are initiated during the **cover period** by any government department or agency to investigate or examine the affairs of the **organisation** or **related body**

Loss

means

- (a) damages and costs which are payable to another person as a result of a claim made by that person during the **cover period**
- (b) legal costs charges and expenses reasonably incurred in defending or appealing the claim described in (a) above or other legal proceedings initiated during the **cover period**

Organisation

means the charity community interest company or other voluntary not-for-profit organisation which is named or identified in the **Member's Certificate of Entry**

Outside trustee

means any **trustee** acting in the capacity of a trustee formally appointed on the written authority and request of the **organisation** to the board or equivalent position in any voluntary not-for-profit entity other than

- (a) the **organisation**
- (b) any entity
 - (i) having its securities listed or traded on any US exchange or
 - (ii) possessing any tangible or intangible asset located within the United States of America

Related body

means any trust (other than a pension or retirement fund trust) or incorporated or unincorporated company or association which

- (a) exists wholly or mainly for the purposes of the **organisation** or
- (b) is a trustee director officer or member of the management committee of the **organisation** or any body within (a) above

Trustee

means anyone who is at any time a trustee director shadow director officer or member of the management committee of the **organisation** or the **related body** and who is not

- (a) a trust corporation or
- (b) the receiver administrator administrative receiver liquidator or external auditor of that **organisation** or **related body**

Virus or similar mechanism

means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

This includes but is not limited to Trojan horses worms and logic bombs

Wrongful act

means any actual or alleged act which is wrongfully committed or attempted on or after the appropriate Wrongful Act Date (if any) stated in the **Member's Certificate of Entry**

You/your

means anyone who is entitled to make a claim for discretionary indemnity under this section

Cover

Your entitlement to claim under paragraphs (a) or (b) below is as stated in the **Member's Certificate of Entry**

If **you** make a valid claim under any of those paragraphs the **Mutual** may provide the discretionary indemnity described in that paragraph by making a payment in the manner described in Cover paragraph (d) Payment below

If **you** have met (or will be meeting) the liability and/or cost for which **you** have made **your** claim **you** may be reimbursed by the **Mutual's** corresponding payment to **you**

- (a) Trustee liability

The **Mutual** may provide discretionary indemnity for the legal liability of the

 - (i) **trustee** for **loss** or **environmental defence costs** which results from his or her **wrongful act** as **trustee** when carrying out any duty as **trustee**
 - (ii) **employee** for **loss** or **environmental defence costs** which results from his or her **wrongful act** when acting on behalf of the **trustee** when carrying out any duty of the **trustee**
 - (iii) **trustee** or **employee** for **investigation costs**

- (b) Organisation liability
The **Mutual** may provide discretionary indemnity for the legal liability of the
- (i) **organisation or related body** for **loss or environmental defence costs** which results from a **wrongful act** by a **trustee** when carrying out any duty as a **trustee**
 - (ii) **organisation or related body** for **loss or environmental defence costs** which results from a **wrongful act** by an **employee** when acting on behalf of the **trustee** when carrying out any duty of the **trustee**
 - (iii) **organisation or related body** for **investigation costs**
- (c) Loss of documents
The **Mutual** may provide discretionary indemnity for
- (i) the legal liability of the **organisation related body or trustee** for **loss** which results from **damage** to the **document** provided that this **damage**
 - (a) occurs while that **document** is held by or is being sent to or from any of them their agent or the **employee** and
 - (b) is discovered during the **cover period**
 - (ii) any reasonable cost incurred by that **organisation related body or trustee** in restoring or replacing that **document**
- (d) Payment
- (i) If **you** are the **organisation or related body** and **you** are required by law to indemnify the **trustee or employee** or another person for any legal liability of that **trustee or employee** which the **Mutual** may provide discretionary indemnity for under paragraph (a) (b) or (c) above the **Mutual** may make on **your** behalf the payment as required by law
 - (ii) If **you** are the **organisation or related body** and **you** are permitted by law to indemnify the **trustee or employee** for any legal liability of that **trustee or employee** which the **Mutual** may provide discretionary indemnity for under Cover paragraph (a) (b) or (c) above the **Mutual** may make on **your** behalf the payment **you** are permitted to make

- (iii) If **you** are the **trustee or employee** and **you** are required by law to indemnify another person for any legal liability **you** have which the **Mutual** may cover under Cover paragraph (a) (b) or (c) above the **Mutual** may make on **your** behalf the payment as required by law
- (iv) If none of (i) (ii) or (iii) above applies the **Mutual** may make the appropriate payment direct to the **covered entity** for what the **Mutual** may provide discretionary indemnity for under Cover paragraph (a) (b) or (c) above

Extensions

The **Cover** by this section is extended to include the following

1 Extended reporting period

If the **Mutual** or the **covered entity** cancels (other than for non-payment of **contribution**) or the **Mutual** refuses to offer renewal of this section of the **Cover** and the **covered entity** does not replace the **Cover** by any other similar cover with another provider then the **covered entity** shall be entitled to an extension of the expiring **cover period** provided by this section of

- (i) 30 days or
- (ii) 12 months at 50% of the latest annual **contribution**

in respect of claims made after the effective date of such cancellation or refusal to renew

provided that

- (a) written notice is given to the **Mutual** within 15 days of the effective date of cancellation or non-renewal of this section
- (b) payment is made to the **Mutual** within 30 days of the effective date
- (c) the claim arises from a **wrongful act** prior to the date of cancellation or refusal to renew

The offer by the **Mutual** of terms conditions or limits of indemnity that differ from those of the expiring **cover period** shall not constitute a refusal to renew

2 Retired trustees

In the event that the **covered entity** does not renew this section of the **Cover** and only in respect of any **trustee** or **employee** who retires prior to the date of non-renewal this section of the **Cover** will continue in force for a period of 72 months from the date of non-renewal provided that

- (a) cover will only apply to claims arising from any **wrongful act** prior to the date of retirement of the **trustee** or **employee**
- (b) the period will run concurrently with any Extended reporting period
- (c) no claim can be made somewhere else

3 Outside boards

This cover shall extend to any **wrongful act** committed in the capacity of **outside trustee** but only in excess of the aggregate of any other potentially applicable cover whether or not it actually responds

4 Emergency costs and expenses

In the event **you** are unable to contact the **Mutual** to obtain consent to authorise costs and expenses following a claim the **Mutual** may reimburse **you** for emergency costs and expenses incurred up to an aggregate inner limit of 10% of the cover limit

5 Public relations crisis management

In the event of any incident occurring during the **cover period** which results or could result in adverse publicity the **Mutual** may pay the reasonable costs necessarily incurred by **you** with the **Mutual's** prior written consent of employing a marketing and/or public relations firm to help minimise the risk of damage to **your** reputation

Provided that

- (a) the incident in the **Mutual's** opinion could result in a claim being agreed under this section of the **Cover**
- (b) **you** take all reasonable measures to avoid or mitigate adverse publicity

Limit

The most the **Mutual** may pay under this extension is £25,000 any one incident and any one **cover period**

Exclusions

The **Mutual** will not consider claims in respect of

- (a) any claim resulting from a situation which existed prior to the **cover period** and which **you** the **organisation related body** or **trustee** knew or should have known might result in any type of claim for discretionary indemnity hereunder
 - (b) any claim where **you** are entitled to indemnity from any other source or would be entitled but for this **Cover**
 - (c) the **trustee's** or **employee's**
 - (i) liability to the **organisation** or **related body** or
 - (ii) costs in any proceedings in which either that **trustee** or **employee** is convicted of a criminal offence or such a conviction is upheld on appeal

resulting from the conduct as **trustee** of that **trustee** or **employee** who either knew or must be assumed to have known that such conduct was not in the best interests of the **organisation** or did not care whether or not this was so
 - (d) **your** claim arising from something that **you** actually did which was intended to provide improper financial gain for anyone or was malicious
- This exclusion shall only apply where such acts are established by a final decision of a court or tribunal or any formal admission by **you**
- (e) any fine penalty or exemplary or punitive damages other than exemplary damages awarded in an action for libel or slander
 - (f) any claim for which legal action is brought outside the European Union Channel Islands or Isle of Man
 - (g) any actual or alleged legal liability for
 - (i) **damage** to or loss of use of any property (other than the **document**)
 - or
 - (ii) infringement of any intellectual property rights
 - or
 - (iii) anyone's death bodily injury mental anguish or emotional distress
 - or
 - (iv) breach of any duty owed to anyone in providing any professional service

- (h) any actual or alleged legal liability
 - (i) for seepage pollution or contamination of any kind other than to the extent of the **environmental defence costs**
 or
 - (ii) arising directly or indirectly from
 - (a) exposure to or
 - (b) inhalation of or
 - (c) fears of the consequence of exposure to or inhalation of or
 - (d) damage to property or any other loss arising from **asbestos**
 or
 - (iii) for the costs of cleaning up or removal of **asbestos**
- (i) any consequence of the failure of the **computer** (whoever owned or operated it) to recognise or respond correctly and effectively to any particular date or period of time (continuous or otherwise)
- (j) **your** claim under Cover paragraph (c) Loss of documents to the extent of the cost of rectifying or repairing or replacing the **computer** following its **damage** as a direct result of any part of it being
 - (i) defective or
 - (ii) the subject of any unauthorised access or use or
 - (iii) affected by any magnetic field or
 - (iv) **virus or similar mechanism** or
 - (v) **denial of service attack**
- (k) **your** claim arising from **your** failure to arrange or maintain insurance or other indemnity for the **organisation related body** or **trustee**
- (l) **your** claim arising from any
 - (i) personal guarantee or assurance **you** give to anyone (other than **your** assurance that **you** have authority to do something)
 or
 - (ii) agreement that **you** shall pay any penalty or fixed sum of money to anyone unless **you** would still be legally liable even if that guarantee assurance or agreement did not exist
- (m) any claim resulting directly or indirectly from **you** acting in the capacity as trustee or administrator of any pension or retirement fund or scheme
- (n) any claim arising from any **wrongful act** subsequent to the effective date of takeover or merger of the **organisation** by or with any other entity
- (o) any claim under cover paragraph (b) (i) or (ii) arising out of any
 - (i) actual or alleged breach of any contract or agreement
 - (ii) trading losses or liabilities or debts incurred by any business managed by or carried out by the **organisation**
- (p) any loss damage cost or expense
 - (i) directly or indirectly caused by contributed to by resulting from or arising out of or in connection with any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - (ii) of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to any **act of terrorism**
 If the **Mutual** alleges that by reason of this exclusion any loss damage cost or expense is not covered by this **Cover** the burden of proving the contrary shall be upon the **Member**
- (q) any actual or alleged legal liability for **loss** directly resulting from anything manufactured sold or supplied by the **organisation related body** or **trustee**
- (r) any actual or alleged legal liability for **loss** relating to any claim for unfair or wrongful dismissal or any other employment dispute

Limits and excess

- (a) If a particular **wrongful act** or other event results in more than one claim by **you** under this section the **Mutual** will treat all the claims concerned as if they were a single claim made at the time of the earliest of the corresponding
- (i) claims made against **you** which result in **loss** or
 - (ii) proceedings which are initiated against **you** which result in **investigation costs** or **environmental defence costs** or
 - (iii) losses (other than **loss investigation costs** or **environmental defence costs**) which **you** discover **you** have suffered
- (b) Unless (c) below applies the **Mutual** will deduct from what the **Mutual** may pay **you** for each single claim the amount stated in the **Member's Certificate of Entry** as being the **excess** applicable to the particular cover under which **you** make the claim
However if that single claim involves more than one cover and more than one **excess** applies the **Mutual** will only deduct the largest **excess** from the total the **Mutual** may pay **you**
You must bear the amount of every **excess** which the **Mutual** deducts
- (c) If upon conclusion of all legal proceedings (including all appeal proceedings) relating to **your** single claim **you** are neither found to have any legal liability to pay any damages to anyone nor convicted of any offence for which **you** have been tried the **Mutual** will not deduct any **excess** from what the **Mutual** pays **you** for that single claim
- (d) After the deduction of any **excess** that applies the most the **Mutual** may pay **you** as discretionary indemnity for the total of all **your** claims in the **cover period**
- (i) for **environmental defence costs** is £250,000
 - (ii) under Cover paragraph (c) Loss of documents is £50,000
 - (iii) under this section is the amount stated in the **Member's Certificate of Entry** as the Limit of discretionary indemnity

Conditions

- (a) Notification of claims
You must
- (i) give the **Mutual** written notice of every
 - (a) situation **you** become aware of during the **cover period** which might reasonably result in any claim under this section
 - (b) loss **you** discover or claim made against **you** during the **cover period** for which there may be cover under this section
 as soon as possible and always within one month of **you** becoming aware of it
If anything **you** notify under (i) (a) above does result in a claim under this section that claim will be treated as having resulted from a claim made or legal proceedings initiated against **you** within the **cover period**
 - (ii) send the **Mutual** immediately and unanswered every letter claim form summons or similar document concerning **your** claim which **you** receive
 - (iii) give the **Mutual** as soon as possible all the information documents and assistance the **Mutual** needs to deal with everything **you** notify under (a) above and **your** claim
 - (iv) do not make any admission of liability or any offer promise or payment of indemnity to anyone without the **Mutual's** consent
- (b) Conduct and settlement of claims
- (i) **You** shall not have to carry on any legal proceedings or settle any claim unless counsel (whom **you** and the **Mutual** agree to appoint) considers that this is in **your** best interests
 - (ii) The **Mutual** will be entitled at any time to take over and conduct in **your** name the defence or settlement of any claim or the pursuit for the **Mutual's** benefit of any claim **you** may have against someone else
If the **Mutual** does this **you** must give the **Mutual** any information or assistance the **Mutual** reasonably needs to carry on legal proceedings or settle claims which the **Mutual** will do in the way the **Mutual** thinks best
 - (iii) The **Mutual** will be entitled at any time to pay an amount to **you** to settle **your** claim for discretionary indemnity

This amount shall not exceed the appropriate amount specified in Limits and excess paragraph (d) (or what remains of that specified amount after deducting all corresponding payments made by the **Mutual** during the **cover period**) or if **your** claim concerns **your** legal liability to someone the smaller amount for which that person's claim against **you** can be reasonably settled. If the **Mutual** does this the **Mutual** will not provide any further cover under this section for **your** claim.

- (iv) The **Mutual** may advance legal costs charges and expenses incurred with the **Mutual's** prior written consent provided that if it is finally established that **you** are not entitled to any such advance payments of the sums advanced they shall be repaid to the **Mutual**.
- (c) Personal cover
 - (i) The **Mutual** will treat
 - (a) the application for this **Cover** as a separate application for cover by each of **you**
 - (b) each claim made against **you** and each loss suffered by **you** as personal to **you**
 - (c) each claim **you** make for discretionary indemnity as personal to **you** and the consideration of a claim by each of **you** to discretionary indemnity shall not be affected by the situation or conduct of anyone else
 - (ii) The discretionary indemnity under any and all covers evidenced or deemed to be evidenced by this section shall be the discretionary indemnity so specified in this section as applicable to any one such cover and shall not (except as so specified) be varied or deemed varied because of the number or type of individuals or bodies covered by this section or their claims

- (iii) If **your** legal liability for any **loss investigation costs** or **environmental defence costs** is by operation of law imputed or transferred to **your** lawful spouse or any person deriving similar status in law the **Mutual** may provide to that person the personal discretionary indemnity to which **you** may have otherwise been entitled to claim under this section in respect of that liability
- (iv) If **you** die or become insolvent or mentally incapacitated the **Mutual** may provide to **your** estate heirs legal representatives or assigns the personal indemnity to which **you** may have otherwise been entitled under this section
- (v) If **your** lawful spouse or any person deriving similar status in law is entitled to claim for any discretionary indemnity under (iii) above and dies or becomes insolvent or mentally incapacitated the **Mutual** may provide to that person's estate heirs legal representatives or assigns the personal discretionary indemnity to which that person may have otherwise been entitled to claim
- (d) Notices
 - (i) **You** must send notices to the **Mutual** at the address stated in the **Member's Certificate of Entry** or any other address the **Mutual** has given **you** for that purpose
 - (ii) The **Mutual** will send notices to **you** at the latest address **you** have given the **Mutual** or (if the **Mutual** does not have this address) at the latest address the **Mutual** has for the **covered entity**

6 Money with assault extension

The Member's Certificate of Entry will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the **Member's Certificate of Entry**) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Bodily injury

means bodily injury resulting directly and independently of any other cause within 24 calendar months in disablement or death

Business hours

means any time when anyone with responsibility for **money** is in attendance at the **premises** for the purpose of the **Member's business**

Covered person

means any employee committee member or **authorised volunteer** of the **Member**

Deferment period

means the initial period specified in the **Member's Certificate of Entry** following **bodily injury** during which the **temporary total disablement** or **temporary partial disablement** benefit is not payable

Loss of eye(s)

means total and irrecoverable loss of sight of an eye or eyes

Loss of limb(s)

means loss by physical severance at or above the wrist or ankle or total and irrecoverable loss of use of a limb or limbs

Medical expenses

means the cost of medical surgical dental or other remedial attention treatment or appliances given or prescribed by a qualified medical practitioner and all hospital nursing home and ambulance charges necessarily incurred in the treatment of the **covered person**

Money

means current notes and coins cheques (other than pre-signed blank cheques whether crossed or uncrossed) postal orders money orders securities for money crossed banker's drafts unused postage stamps travellers' cheques National Savings stamps and certificates Premium Bonds National Insurance stamps and stamped National Insurance cards credit and debit card sales vouchers giro payment orders Value Added Tax purchase vouchers luncheon vouchers gift tokens and unused credit on postal franking machines belonging to the **Member** or for which the **Member** is responsible and pertaining to the **business**

Money in transit

means **money** other than **non-negotiable money** in transit whilst in **personal custody** or in a bank night safe until the bank accepts responsibility

Non-negotiable money

means crossed cheques (other than pre-signed blank cheques) crossed postal orders crossed money orders crossed bankers drafts National Savings certificates Premium Bonds stamped National Insurance cards credit and debit card sales vouchers Value Added Tax purchase vouchers and unused credit on postal franking machines

Other money

means **money** other than **non-negotiable money**

Permanent total disablement

means permanent total and absolute disablement (other than by **loss of limb(s)** or **loss of eye(s)**) from gainful employment of any and every kind which shall have lasted for 104 weeks and which in all probability will last for the remainder of life

Personal custody

means within the immediate personal control of the **Member** or any other responsible person authorised by the **Member**

Temporary partial disablement

means disablement from engaging in or giving attention to a substantial part of usual profession trade business or occupation for a period not exceeding 104 weeks in all from the commencement of such disablement

Temporary total disablement

means disablement from engaging in or giving attention to usual profession trade business or occupation for a period not exceeding 104 weeks in all from the commencement of such disablement

Cover A – Money

The **Mutual** may provide discretionary indemnity to the **Member** in respect of **damage to money** happening during the **cover period** anywhere in the **geographical limits**

The most the **Mutual** may pay the **Member** as discretionary indemnity in respect of any one loss shall not exceed the amount stated in the **Member's Certificate of Entry**

Extensions

The **Cover** by this Cover A is extended to include the following

1 Damage to safes

The **Mutual** may pay the **Member** for **damage** to any safe strongroom or cash carrying bag belonging to the **Member** or for which the **Member** is responsible arising in connection with theft or attempted theft of covered **money**

2 Damage to clothing and personal effects

The **Mutual** may pay the **Member** for **damage** to clothing and personal effects belonging to the **Member** or any of the **Member's** directors partners trustees employees **authorised volunteers** or representatives arising in connection with theft or attempted theft of covered **money**

3 Dishonesty of employee

The **Mutual** may pay the **Member** for **damage to money** due to the dishonesty of any director trustee committee member employee or **authorised volunteer** of the **Member** provided that

- (i) such loss is not more specifically covered or insured
- (ii) the loss is discovered within 28 days of the occurrence

- (iii) the most the **Mutual** may pay for such loss shall not exceed £2,000 per person nor £5,000 in total in any one **cover period**

4 Fraud and identity theft

The **Mutual** may pay the **Member** for

- (a) loss resulting from the fraudulent use of any credit or debit card ordinarily used in connection with the **business**
Excluding
 - (i) loss due to the use of any card where the terms under which it has been issued have not been fully complied with
 - (ii) losses covered by a bank or card issuer
 - (iii) fraudulent use by the **Member** or the **Member's** directors trustees or partners

Limit

£1,000 per card any one **cover period**

- (b) the reasonable and necessary costs incurred with the **Mutual's** consent in protecting the interests of the **Member's business** following the fraudulent use of the identity of the **business** or of the **Member's** directors trustees partners employees or **authorised volunteers** by a third party for the purposes of obtaining credit

Limit

£1,000 any one **cover period**

5 Fund raising events

For the period from two days before until seven days after a fund raising event the limits shown in the **Member's Certificate of Entry** are doubled for the following

- (i) **money** whilst in the course of transit or in a bank night safe
- (ii) **money** whilst being counted or in the home of any employee or **authorised volunteer**
- (iii) **money** in a locked safe in the **premises**

6 Overseas visits

The **Mutual** may pay the **Member** for **damage to money** occurring outside the **geographical limits** and which arises out of a temporary visit overseas by any of the **Member's** directors partners trustees employees or **authorised volunteers** in connection with the **business**

Limit
£500 any one occurrence

Exclusions

The **Mutual** will not consider claims in respect of loss

- (1) due to dishonesty of any director trustee partner employee or volunteer of the **Member** other than as provided for by the extensions for Dishonesty of employee or Fraud and identity theft above
- (2) whilst the **money** is in the custody or control of a professional carrier
- (3) during transit by unregistered post
- (4) from an unattended vehicle
- (5) due to clerical or accounting errors depreciation in value unexplained shortage dishonoured cheques or to the use of counterfeit money
- (6) in excess of the "in any other circumstances" limit shown in the **Member's Certificate of Entry of other money** from any room left unattended and unlocked unless this occurs during **business hours** and such **other money** is contained in a locked safe cupboard or desk with the key held in **personal custody**
- (7) of completed credit or debit card sales vouchers unless a copy of each voucher is at all times kept in a secure place separate from its counterpart

Special conditions

1 Safe keys

In respect of loss of **money** from locked safes or locked strongrooms that the **Member** shall ensure that all keys (except those deposited with a bank) and codes of combination locks for safes and strongrooms containing **money** are held in **personal custody**

2 Cash escort

In respect of cash in transit the **Member** shall ensure that the amounts shown below are escorted by the stated number of responsible able-bodied adults or a professional security firm as indicated until deposited in a secure area of the **Member's premises** or at the bank

£3,000 to £5,000
2 persons

Over £5,000 but less than £10,000
3 persons

£10,000 or over
a professional security firm

Cover B – Assault extension

If during the **cover period** a **covered person** sustains **bodily injury** in the course of their employment by the **Member** as a direct result of robbery or hold-up or attempted robbery or hold-up the **Mutual** may pay the appropriate benefit

Scale of benefits

The level of benefits are shown in the **Member's Certificate of Entry**

If the benefits are expressed in units one unit provides the following

- 1 Death
£2,500
- 2 **Loss of limb(s) or loss of eye(s)**
£2,500
- 3 **Permanent total disablement**
£2,500

- 4 **Temporary total disablement**
£25 per week
- 5 **Temporary partial disablement**
£10 per week

Extension

The **Cover** by this Cover B is extended to include the following

Hospital benefit and medical expenses

If during the **cover period** a **covered person** sustains bodily injury in the course of their employment by the **Member** as a direct result of robbery or hold-up or attempted robbery or hold-up the **Mutual** may pay

- (a) **medical expenses** incurred by the **covered person**
Limit £500
- (b) £20 a day up to £200 if as a result of the **bodily injury** the **covered person** goes into hospital for in-patient treatment

Exclusions

The **Mutual** will not consider claims for **bodily injury**

- (1) arising from wilful exposure to needless peril (except in an attempt to save human life)
- (2) sustained by any person before that person attains the age of 16 years or after the expiry of the **cover period** in which that person attained the age of 80 years

Special conditions

- 1 The **Mutual** will not consider a claim for benefit in respect of any **covered person** for any later accident after an accident giving rise to a claim other than for **temporary total disablement** or **temporary partial disablement**
- 2 The **Mutual** may pay benefit for **permanent total disablement** following benefit for **temporary total disablement** or **temporary partial disablement**
- 3 Other than 2 above the **Mutual** will only consider a claim for one benefit in respect of any one **covered person** in connection with the same accident
- 4 A receipt given by the **Member** or by the **Member's** legal personal representatives shall be a valid discharge of the **Mutual's** discretionary indemnity under this section
- 5 The **Mutual** will not pay any compensation until the total amount shall have been ascertained and agreed except that periodic payments on account of **temporary total disablement** or **temporary partial disablement** may be made by the **Mutual**

7 Fidelity

The *Member's Certificate of Entry* will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the *Member's Certificate of Entry*) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Acting in collusion

means all circumstances where two or more **employees** or **authorised volunteers** are concerned or implicated together or materially assist each other in an act of fraud or dishonesty

Commencement date

means the operative date of cover under this section for a named **employee** or **authorised volunteer** or category of **employees** or category of **authorised volunteers** other than as provided in relation to any superseded fidelity cover on a discretionary basis or otherwise

Employee(s)

means any person normally resident within the **geographical limits** who is

- (1) under a contract of service or apprenticeship with the **Member**
- (2) engaged as a work experience student or youth training scheme participant while under the **Member's** direct control and supervision

One claim

means all acts of fraud or dishonesty during the **cover periods** which this section (and any substituted cover on a discretionary basis or otherwise) shall remain in force committed by an individual **employee** or **authorised volunteer** or by **employees** or **authorised volunteers acting in collusion**

Cover

The **Mutual** may pay the **Member** for loss of money or goods belonging to or held in trust by the **Member** caused directly as a result of any act of fraud or dishonesty by any **employee** or **authorised volunteer** described in the **Member's Certificate of Entry** relating to their employment with the **Member** in the **business** and committed during the currency of

- (1) this section after the **commencement date** applicable to such **employee** or **authorised volunteer**

or
- (2) any superseded fidelity cover on a discretionary basis or otherwise effected by the **Member** but not discovered during the period stipulated in such other cover but
 - (a) only to the extent that such loss would have been covered had the superseded fidelity cover remained in force
 - (b) only if uninterrupted fidelity cover on a discretionary basis or otherwise has been maintained and the loss is discovered not later than 24 months after the termination of
 - (i) the fidelity cover in respect of such **employee** or **authorised volunteer**

or
 - (ii) this section

whichever occurs first

The **Mutual** may also provide discretionary indemnity for auditors' fees incurred with the **Mutual's** written consent to substantiate the amount of any claim provided that the most the **Mutual** may pay is the specific limit of cover shown in the **Member's Certificate of Entry** for **one claim** in respect of any **employee authorised volunteer** category of **employee** or category of **authorised volunteer** or the aggregate cover limit shown in the **Member's Certificate of Entry** in any one **cover period**

If **one claim** is caused by **employees** or **authorised volunteers acting in collusion** the **Mutual** will not consider claims for any amount which exceeds whichever of the individual cover limits applicable to the **employees** or **authorised volunteers** concerned is

largest and in any event not which exceeds the aggregate cover limit shown in the **Member's Certificate of Entry**

Memorandum

Upon the notification of a claim the specific limit of discretionary indemnity and aggregate limit of discretionary indemnity for **employees** and **authorised volunteers** not the subject of such claim shall be maintained provided that

- (1) the **Member** agrees to pay any required additional **contribution**
- (2) the reinstated amount of discretionary indemnity shall apply only to acts of fraud or dishonesty committed subsequent to the date of notification of the claim

Special conditions

1. The **Member** must operate the following Minimum standard of control
All **employees** and **authorised volunteers** with responsibility for money accounts goods computer operation or computer programming shall be instructed as to their duties and responsibilities in respect of the Minimum standard of control and be expected to comply with it

Minimum standard of control

- (i) All cheques or other bank instruments exceeding £10,000 shall require two manually applied signatures to be added after the amount has been inserted
The **Member** shall advise the **Member's** bankers accordingly
No cheque or instrument shall be signed until one signatory has examined the supporting documentation
- (ii) In respect of **employees** not paid by crossed cheque or credit transfer the list of employees and the payroll will be subject to an independent check before payment to ensure that the total amount drawn is correct
At least quarterly and independently of persons responsible the payroll shall be checked to minimise the possibility that fictitious names and enhanced payments have been included

- (iii) **Employees** and **authorised volunteers** receiving cash and cheques in the course of their duties shall be required to remit all monies received and/or bank in full on the day of receipt or next banking day
- (iv) Statement of account for all amounts due will be issued at least monthly and direct to customers independently of **employees** or **authorised volunteers** receiving or collecting monies
Action by management shall be taken if an account becomes three months overdue
- (v) Independently of the responsible **employees** or **authorised volunteers** bank statements receipts counterfoils and supporting documents shall be checked at least monthly against the cash book entries and the balance tested with cash and unrepresented cheques
- (vi) Cash in hand and petty cash shall be checked independently of the responsible **employees** or **authorised volunteers** at least monthly and additionally without warning every six months
- (vii) There will be a physical check on all stock and materials held against verified stock records independent of the responsible **employees** or **authorised volunteers** at intervals of not more than 12 months except where otherwise stated
- (viii) Different **employees** or **authorised volunteers** 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
- (ix) Security checks will be built into all computer functions with reconciliations made as necessary
Responsibilities for authorisation of transaction processing of transactions and handling of output shall be exercised by different **employees** or **authorised volunteers**
- (x) The **Member's** accounts including the account of any subsidiary companies shall be examined by external auditors every 12 months
All recommendations or alternatives acceptable to the auditors shall be implemented without delay

- (xi) Every **employee** or **authorised volunteer** who is responsible for money goods accounts computer operations or programming must take an uninterrupted break of at least two weeks in each calendar year during which
- (a) they carry out no duties on the **Member's** behalf and
 - (b) other than electronic mail they have no means of external access to the **Member's** computer systems and
 - (c) they stay away from any of the **Member's** premises
- (xii) All supplier/creditor accounts received for payment should be carefully and independently (i.e. independently of those employee placing orders or settling such accounts) checked and validated directly with the supplier/creditor before payment authorised
- No instructions or requests to change any supplier's/creditor's settlement account details shall be accepted or implemented without
- (a) (using contact details that are known) the supplier or creditor in question being contacted independently and directly to confirm the change
 - (b) written confirmation of change being obtained from a suitably authorised and recognised contact at the supplier/creditor
 - (c) written confirmation (again independently and directly) from the supplier's/creditor's bank
- 2 The **Member** shall obtain satisfactory references to confirm the honesty of all **employees** and **authorised volunteers** who are
- (a) responsible for money goods accounts computer operations or computer programming and
 - (b) engaged after the commencement of this section and
 - (c) subject to a cover limit of greater than £5,000
- Such references shall be obtained directly from former employers for the three years immediately preceding engagement and before the **employee** or **authorised volunteer** is entrusted without supervision
- Reference need not be obtained in respect of **employees** and **authorised volunteers** who

have satisfactorily and continuously served the **Member** for at least one year in another capacity before being entrusted with the duties referred to above

In respect of **employees** or **authorised volunteers** joining directly from school or government sponsored youth training schemes one character reference shall be obtained

The original of each written reference shall be retained by the **Member** and shall be made available for inspection by the **Mutual** on request

- 3 Any money of the **employee** or **authorised volunteer** held by the **Member** and any money which but for the **employee's** or **authorised volunteer's** dishonesty would have been due to the **employee** or **authorised volunteer** from the **Member** shall be deducted from which may otherwise be payable under this section of the **Cover**
- The **Member** and the **Mutual** shall share any other recovery (excluding insurance and reinsurance and any counter-security taken by the **Mutual**) made by either on account of any loss in the proportion that the amount of the loss borne by each bears to the total amount of the loss
- 4 Irrespective of the number of **cover periods** during which this section (and any substituted cover on a discretionary basis or otherwise) shall remain in force the **Mutual's** discretionary indemnity for any **one claim** shall not exceed the specific cover limit as shown in the **Member's Certificate of Entry** applicable at the time of the loss and the **Mutual's** discretionary indemnity any one **cover period** shall not exceed the aggregate cover limit as shown in the **Member's Certificate of Entry** applicable during that **cover period**

Exclusion

The **Mutual** will not consider any claim for loss of interest or consequential loss of any kind

8 Goods in transit

The *Member's Certificate of Entry* will show if this section applies and the cover in force

Definition

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the *Member's Certificate of Entry*) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Covered property

means

- (a) goods
- (b) tarpaulins sheets trailer curtains ropes chains and webbing straps

belonging to the **Member** or for which the **Member** is legally responsible or which are entrusted to the **Member** used in connection with the **business**

Geographical limits

means England Scotland Wales Northern Ireland Republic of Ireland Channel Islands and the Isle of Man

Whilst in transit

means

- (a) whilst being loaded on to or unloaded from the vehicle used for the transit
- (b) whilst on the vehicle in transit to and from its destination within the **geographical limits**
- (c) whilst on the vehicle on a vehicle ferry during direct sea transits between parts of the **geographical limits**

Cover

The **Mutual** may pay the **Member** (by payment up to the value of the **covered property** at the time of loss or at the **Mutual's** option by repair reinstatement or replacement) in respect of **damage** to any part of the **covered property** by any cause not specifically excluded happening during the **cover period whilst in transit** by any road vehicle operated by the **Member** or by road hauliers or sent by parcel post or rail as described in the *Member's Certificate of Entry* anywhere in the **geographical limits**

Provided that the **Mutual's** discretionary indemnity during any one **cover period** shall not exceed the limits stated in the *Member's Certificate of Entry*

Extensions

If the **Mutual** agrees to pay a claim under this section **Cover** is extended to include the following

1 Personal effects

If not otherwise covered the **Mutual** may pay for **damage** to drivers' clothing and personal effects up to an amount of £500 per person

2 Debris removal

The **Mutual** may pay for costs and expenses necessarily and reasonably incurred in the removal of debris and site clearance for which the **Member** is responsible

Memoranda

1 Reinstatement of property

The **Mutual** will not be bound to reinstate exactly or completely any property that is the subject of a claim but may reinstate only as circumstances permit and in reasonably sufficient manner

The most the **Mutual** may pay in respect of any one of the items covered is the sum covered

2 Average

If the value of the **covered property** on or in any vehicle or consignment is at the time of the **damage** of greater value than the appropriate limit any one vehicle or consignment shown in the *Member's Certificate of Entry* the **Member** shall be responsible for the difference and shall bear a rateable proportion of the loss accordingly

Exclusions

The **Mutual** shall not consider any claim for

- 1 **damage** caused by or arising from packing inadequate to withstand normal handling during transit

- 2 **damage** to
- (a) money securities bills of exchange deeds manuscripts documents business books computer systems records patterns models moulds plans and designs
 - (b) bullion gold and silver articles precious metals stones jewellery and furs
 - (c) non-ferrous metals tobacco cigarettes cigars wines spirits radios television sets audio video and digital equipment discs cassettes and livestock
 - (d) explosives and other dangerous goods unless specifically mentioned as being covered
- 3 **damage** caused by or arising from
- (a) inherent vice latent defect gradual deterioration wear and tear its own faulty or defective design or materials faulty or defective workmanship
 - (b) contamination corrosion rust wet or dry rot mildew shrinkage evaporation loss of weight dampness dryness marring scratching vermin insects change in temperature colour flavour texture or finish
 - (c) electrical or mechanical derangement unless caused by external means
 - (d) deterioration depreciation delay in transit loss of market or other consequential loss riot or strikes
- 4 **damage** to **covered property** on open vehicles caused by
- (a) the weather unless the **covered property** is suitably protected
 - (b) theft or attempted theft
- 5 deterioration of refrigerated goods following breakdown or failure of refrigeration equipment unless such failure or breakdown is due to an accident to the vehicle
- 6 **damage** resulting from theft or attempted theft
- (a) committed assisted brought about or connived at by any of the **Member's** directors trustees committee members employees or **authorised volunteers**
 - (b) from any unattended vehicle unless
 - (i) all doors windows and other points of access have been closed and locked and any security devices correctly set to operate and all keys removed from the vehicle
 - (ii) during the hours of 9pm to 6am the vehicle is housed in a securely locked building or guarded security park

9 Personal accident

The Member's Certificate of Entry will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the **Member's Certificate of Entry**) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Accidental bodily injury

means bodily injury resulting directly and independently of any other cause within 24 calendar months in disablement or death

Act of terrorism

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

Covered person

means as specified in the **Member's Certificate of Entry**

Deferment period

means the initial period specified in the **Member's Certificate of Entry** following **accidental bodily injury** during which the **temporary partial disablement** or the **temporary total disablement** benefit is not payable

Loss of eye(s)

means total and irrecoverable loss of sight of an eye or eyes

Loss of limb(s)

means loss by physical severance at or above the wrist or ankle or total and irrecoverable loss of use of a limb or limbs

Medical expenses

means the cost of medical surgical dental or other remedial attention treatment or appliances given or prescribed by a qualified medical practitioner and all hospital nursing home and ambulance charges necessarily incurred in the treatment of the **covered person**

Permanent total disablement

means permanent total and absolute disablement (other than by **loss of limb(s)** or **loss of eye(s)**) from gainful employment of any and every kind which shall have lasted for 104 weeks and which in all probability will last for the remainder of life

Temporary total disablement

means disablement from engaging in or giving attention to usual profession trade business or occupation for a period not exceeding 104 weeks in all from the commencement of such disablement

Cover

If during the **cover period** a **covered person** sustains **accidental bodily injury**

- 1 at any time if Cover A applies
- 2 arising out of and in the course of their employment by the **Member** if Cover B applies the **Mutual** may pay the appropriate benefit

The **Member's Certificate of Entry** will show whether Cover A or B applies

Scale of benefits

The level of benefits are shown in the **Member's Certificate of Entry**

If the benefits are expressed in units one unit provides the following

- 1 Death
£2,500
- 2 **Loss of limb(s)** or **loss of eye(s)**
£2,500
- 3 **Permanent total disablement**
£2,500
- 4 **Temporary total disablement**
£25 per week

Extensions

The **Cover** by this section is extended to include the following

1 Hospital benefit and medical expenses

If during the **cover period** a **covered person** sustains **accidental bodily injury**

- (1) at any time if Cover A applies
- (2) arising out of and in the course of their employment by the **Member** if Cover B applies

The **Mutual** may pay

- (a) **medical expenses** incurred by the **covered person**
Limit £2,500
- (b) £20 a day up to £200 if as a result of the **accidental bodily injury** the **covered person** goes into hospital for in-patient treatment

2 Clothing and personal effects

If the **Mutual** agrees to pay a claim for **accidental bodily injury** under this section the **Mutual** may pay for the **covered person's** clothing and personal effects damaged at the same time up to an amount of £500 per person

This amount is in addition to any amount which may be recoverable under any other section of this **Cover**
Wording

3 Disappearance

If after 180 days have elapsed and the **Mutual** having examined all evidence available and shall have no reason to suppose other than that an accident has occurred the disappearance of the **covered person** may be considered to constitute a claim under this **Cover**

If at any time after payment has been made to the **covered person's** legal representatives executives administrators or assigns of the **covered person** by the **Mutual** in settlement of the claim the **covered person** is found to be living any sums paid by the **Mutual** in settlement of the claim shall be refunded to the **Mutual**

Limit

The Death level of benefit stated in the **Member's Certificate of Entry** or £10,000 any one claim whichever is the less

Exclusions

The **Mutual** will not consider any claim for **accidental bodily injury**

- (1) arising from
 - (a) any consequence of suicide or deliberate self-injury intoxication sexually transmitted infections insanity pregnancy childbirth the influence of drugs unless such drugs are taken as prescribed and directed by a qualified registered medical practitioner but not for the treatment of drug addiction
 - (b) any health problem which the **Member** or the **covered person** know of or should have known about at the start of this **Cover** or when it was renewed and which has not been accepted by the **Mutual** in writing
 - (c) wilful exposure to needless peril (except in an attempt to save human life)
 - (d) any **covered person** taking part in practising or training for any of the following excluded activities
 - Aqualung diving
 - Flying (except as a fare-paying passenger) hang-gliding or parachuting
 - Hunting on horseback polo showjumping or steeple chasing
 - Driving riding or sailing in any kind of race
 - Riding motor cycles or motor scooters as a driver or passenger
 - Winter sports other than curling or ice-skating
 - Football (other than amateur Association) or rugby football
 - Mountaineering cliff or rock climbing abseiling subterranean or elastic rope sports or activities
 - Any pursuit or activity involving personal danger or hazard
 - Playing in any sport professionally
 - Service in the armed forces
- (2) sustained by any person under the age of 16 years or to any person after the expiry of the **cover period** in which that person attained the age of 80 years
- (3) directly or indirectly caused or contributed to by an **act terrorism** involving the use or release or

the threat thereof of any nuclear weapon or device or chemical or biological agent regardless of any contributory cause
If the **Mutual** alleges that by reason of this exclusion any **accidental bodily injury** is not covered the burden of proving the contrary shall be upon the **Member**

Special conditions

- 1 The **Mutual** will not consider a claim for benefit in respect of any **covered person** for any later accident after an accident giving rise to a claim other than for **temporary total disablement**
- 2 The **Mutual** may pay a benefit for **permanent total disablement** following benefit for **temporary total disablement**
- 3 Other than 2 above the **Mutual** will only consider a claim for one benefit in respect of any one **covered person** in connection with the same accident
- 4 A receipt given by the **Member** or by the **Member's** legal personal representatives shall be a valid discharge of the **Mutual**
- 5 The **Mutual** will not pay any compensation until the total amount shall have been ascertained and agreed save that periodic payments on account of **temporary total disablement** may be made by the **Mutual**

10 Loss of licence

The *Member's Certificate of Entry* will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the *Member's Certificate of entry*) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Cancel/cancelled/cancellation

Cancel/cancelled/cancellation under the provisions of any legislation governing **licence** issue and if relevant refusal to renew

Gross income

The amount which may be paid to the **Member** for goods sold and services provided in the course of the **Member's business** at the **premises** less the costs of the goods sold

Indemnity period

means the period beginning with the **cancellation** of the **licence** and ending not later than 12 months thereafter (or when the **premises** are sold if earlier) during which the results of the **business** shall be affected as a result of the **cancellation** of the **licence**

Licence(s)

means any premises licence granted under the Licensing Act 2003 or equivalent legislation in Scotland Northern Ireland the Isle of Man or the Channel Islands

Cover

If during the **cover period** and from any cause outside the **Member's** direct control the **licence** in respect of the **premises** is **cancelled**

The **Mutual** may at its discretion pay or make good to the **Member** the **Member's** loss for

- (1) depreciation in the value of the **Member's** interest in the **premises** covered by the **licence**

or

- (2) (a) the amount which the **gross income** during the **indemnity period** is less than the **gross income** during the equivalent period immediately prior to the **cancellation** of the **licence**

- (b) any reasonable additional expenses incurred to maintain **gross income** during the **indemnity period** but not more than the loss avoided under 2 (a) above

less any amount saved during the **indemnity period** for expenses of the **business** payable out of **gross income** which cease or are reduced as a result of the **cancellation** of the **licence**

The **Mutual** will not consider any claim under this section if the **Member** is entitled to receive compensation under the provisions of any Act of Parliament for the **cancellation** of the **licence**

The most the **Mutual** may pay as discretionary indemnity in any one **cover period** under (1) or (2) above is £100,000 or the cover limit stated in the **Member's Certificate of Entry**

Special conditions

- 1 The **Member** shall on becoming aware of any
 - (a) complaint against the **premises** or its management
 - (b) proceedings against or conviction of the **licence** holder or the manager tenant or occupier of the **premises** for any breach of the law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called into question with respect to his or her honesty moral standing or sobriety
 - (c) change in the tenancy management of the **premises** or **licence** holder
 - (d) objection to renewal or other circumstances which may result in **cancellation** of the **licence**

- (e) transfer or proposed transfer of the **licence** immediately give notice to the **Mutual** in writing and supply any additional information and assistance as the **Mutual** reasonably requires
- 2 In the event of the death bankruptcy incapacity desertion of the **premises** or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to his or her honesty moral standing or sobriety) of the tenant manager occupier or of any **licence** holder the **Member** shall where practicable recruit a suitable person to replace him or her and if necessary apply to the licensing authority to obtain a **licence** for that person

Claims conditions

In the event of the **licence** being **cancelled** or the **Member** receiving notice of a proposal to **cancel** the **licence** the **Member** shall

- (a) give notice to the **Mutual** in writing within 24 hours of receiving knowledge of such actual or threatened event stating the grounds upon which the **licence** is or may be **cancelled**
- (b) apply at the **Member's** own expense if required by the **Mutual** for the grant of such new **licence** for the same or alternative premises to enable the **Member** to continue the **business** in a similar or alternative form
- (c) if requested by the **Mutual** within 30 days provide at the **Member's** expense a statement of the **Member's** loss and documents fairly required by the **Mutual** to verify the **Member's** loss together with (if demanded) a statutory declaration of the truth of the claim and of any related matter and give the **Mutual** free access to the **premises** and the **Member's** books and accounts as may be necessary for ascertaining the amount of the **Member's** claim under this section
- (d) take at the **Member's** expense all practicable steps to minimise a claim
- (e) at the **Mutual's** request and at the **Mutual's** expense do or allow to be done everything reasonably required by the **Mutual** for the purpose of making any recoveries from other parties (whom the **Mutual** would be entitled to pursue upon settlement of the **Member's** claim) whether such action is necessary before or after the **Mutual** agrees to pay any **Member's** claim under this section

Exclusions

The **Mutual** will not consider any claim arising from

- (1) any **cancellation of licence** which arises directly or indirectly from any town or country planning improvement redevelopment or compulsory purchase order or from any surrender reduction or redistribution of **licences** in connection with such order
- (2) any **cancellation of licence** which results from any alteration in the law
- (3) premises which are
 - (i) altered without the approval of the licensing or other authority
 - (ii) closed for any period not required by law
 - (iii) not maintained in good sanitary and general repair
- (4) any direction or requirements of the licensing or other authority which are not complied with
- (5) the bankruptcy or insolvency of the **Member**

11 Professional indemnity

The **Member's Certificate of Entry** will show if this section applies and the cover in force

Note (not forming part of the Cover)

Cover is on a 'claims made' basis, which means it covers claims made against the Member – and notified to the Mutual – during the cover period. It is therefore most important that as soon as the Member becomes aware of any claim being made against the Member, or any circumstances that might reasonably be expected to bring about a claim, the Member notifies the Mutual in writing.

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the **Member's Certificate of Entry**) they will take the specific meaning shown below

Act of terrorism

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

Business

means the professional services performed or the advice given by the **Member** in relation to those activities declared to the **Mutual**

Claim

means

- (a) any demand made of or assertion of a right against the **Member** which is communicated to the **Member** in writing
- (b) costs under Cover 2(a) or Cover 3

Clinical trials

means systematic studies in order to discover and/or verify the effects and/or reactions of substances including but not limited to medical pharmaceutical or similar products drugs and the like

Document

means all and any records arising from the **Member's business** whether kept in paper (excluding **money**) magnetic or electronic form for which the **Member** is legally responsible whilst in the **Member's** custody or in the custody of any person other than the owner to or with whom they have been entrusted lodged or deposited by the **Member** in the ordinary course of the **Member's business**

Employee

means any person other than a trustee director officer or member of the management committee of the **Member** who has been is or shall be under a contract of service or apprenticeship supplied to hired or borrowed by the **Member** or under any work experience or similar scheme or any **authorised volunteers** whilst employed or engaged by the **Member** and under the **Member's** control in connection with the **Member's business**

Member

means the **Member** named in the **Member's Certificate of Entry** including

- (a) its trustees directors officers or members of the management committee
- (b) any former trustee director officer or member of the management committee
- (c) the legal representatives estate or heirs of (a) or (b) in the event of their bankruptcy incapacity or death

The **Mutual** may also provide discretionary indemnity at the **Member's** request to any **employee** in respect of liability for which the **Mutual** may have agreed to pay had the claim been made against the **Member**

Money

means stamps currency bank notes and instruments cheques travellers cheques postal orders money orders securities and the like

Notified

means that notice is sent in writing by the **Member** to and received by the **Mutual**

Notice is not valid if given by any third party

Retroactive date

means the retroactive date stated in the **Member's Certificate of Entry**

Wrongful act

means any negligent act negligent error negligent omission or negligent breach of duty

Cover**Cover 1 – Legal liability**

The **Mutual** may pay the **Member** in respect of any settlement damages interest and claimant's costs arising from any **claim** first made against the **Member** and **notified** during the **cover period** and which arises out of the conduct of the **Member's business** by reason of

- (a) a **wrongful act** committed by
 - (i) the **Member**
 - (ii) any **employee**
 - (iii) any other person firm or company directly appointed by the **Member** and acting for or on the **Member's** behalf
- (b) any dishonest or fraudulent act or omission on the part of any **employee**
- (c) libel or slander committed unintentionally by
 - (i) the **Member**
 - (ii) any **employee**
- (d) any unintentional breach of confidentiality committed by
 - (i) the **Member**
 - (ii) any **employee**
 - (iii) any other person firm or company directly appointed by the **Member** and acting for or on the **Member's** behalf

Cover 2 – Loss of documents

The **Mutual** may pay the **Member** for

- (a) reasonable and necessary costs incurred with the **Mutual's** prior written consent for repair replacement or reconstitution of
- (b) any settlement damages interest and claimant's costs arising from a **wrongful act** involving any **document** which has been unintentionally destroyed damaged lost or mislaid during the **cover period** (and which after diligent search cannot be found) the occurrence of which has been **notified** during the **cover period**

Cover 3 – Data protection

The **Mutual** may pay the **Member** for defence costs and expenses resulting from any prosecution first brought against the **Member** and/or any **employee** and **notified** during the **cover period** which arises out of the conduct of the **Member's business** in respect of any offences or alleged offences under sections 21(1) 21(2) 22(6) or 47(1) of the Data Protection Act 1998

Cover 4 – Defence costs and expenses

The **Mutual** may pay the **Member** for all defence costs and expenses in

- (a) the defence investigation or settlement of any **claim** which the **Mutual** agrees to pay under Cover 1 or Cover 2(b)
- (b) the investigation of any circumstance **notified** to the **Mutual** under Condition (1) which may give rise to a **claim**

incurred by or on behalf of the **Member** with the **Mutual's** prior written and continuing consent (such consent not to be unreasonably withheld) but not including the **Member's** own costs and expenses or any value attributable to the time spent by the **Member** or any **employee** in dealing with a **claim** or a circumstance

Limit of discretionary indemnity

Unless otherwise stated the limit of discretionary indemnity as shown in the **Member's Certificate of Entry** for this section of the **Cover** is the maximum amount the **Mutual** may pay irrespective of the number of **claims** claimants or losses

In respect of Cover 2(a) an aggregate sub-limit of discretionary indemnity of £200,000 shall apply

In respect of Cover 3 an aggregate sub-limit of discretionary indemnity of £50,000 shall apply

Where the **Mutual** agrees to pay more than one person the total amount the **Mutual** may pay to all parties including the **Member** shall not exceed the limit of discretionary indemnity

Defence costs and expenses under Cover 4 may be payable in addition to the limit of discretionary indemnity and are subject to the **excess**

All payments the **Mutual** agrees to pay in respect of Cover 1 Cover 2 and Cover 3 or any endorsement or otherwise shall erode the limit of discretionary indemnity for all **claims** in the aggregate under this section of the **Cover**

Where a payment is requested or made in settlement of any **claim** or circumstance which exceeds the limit of discretionary indemnity available under Cover 1 or Cover 2(b) the most the **Mutual** may pay for defence costs and expenses under these Covers shall be limited to such proportion as the amount of the limit of discretionary indemnity available in respect of such **claim** or circumstance bears to the amount requested or paid in settlement and the **Member** will make any consequent repayment due to the **Mutual** immediately upon demand failing which the **Mutual** will be entitled to deduct the amount of repayment from any **claim** settlement monies due from the **Mutual** under this section of the **Cover**

All **claims** (including costs sought under Cover 2(a) or Cover 3) whether made against the **Member** or sought by one or more persons of the **Member** wholly or substantially arising from or having any connection with or relation to

- (a) the same event occurrence act error omission or breach of duty or having the same originating or underlying cause
- (b) a series of events occurrences acts errors omissions or breaches of duty having the same originating or underlying cause
- (c) the acts errors omissions or breaches of a single person or persons acting together or in which such person or persons is or are concerned or implicated

shall be deemed to be one **claim** or single application for costs under Cover 2(a) or Cover 3 for the purposes of deciding the applicable limit of discretionary indemnity and the application of the **excess** under this section of the **Cover**

The **Mutual** shall be the sole judge as to whether these provisions shall operate in relation to any **claim** or application for costs

Extensions

The **Cover** by this section is extended to include the following

1 Compensation for court attendance

If the **Mutual** requests any of the following categories of people to attend court as a witness in connection with a **claim** under this section of the **Cover** the **Mutual** may provide the **Member** with the following rates of compensation for each day on which attendance is required

Any trustee director officer or member of the management committee
£500 per day

Any **employee**
£250 per day

2 Public relations crisis management

In the event of any incident occurring during the **cover period** which results or could result in adverse publicity the **Mutual** may pay the reasonable costs necessarily incurred by the **Member** with the **Mutual's** prior consent of employing a marketing and/or public relations firm to help minimise the risk of damage to the **Member's** reputation

Provided that

- (a) the incident in the **Mutual's** opinion could result in a claim being agreed under this section of the **Cover**
- (b) the **Member** takes all reasonable measures to avoid or mitigate adverse publicity

Limit

The maximum amount the **Mutual** may pay as discretionary indemnity under this extension is £25,000 any one incident and in the aggregate in any one **cover period**

3 Representation costs

The **Mutual** may pay the **Member** in respect of reasonable costs and expenses incurred by the **Member** for representation at properly constituted hearings tribunals or proceedings provided that

- (a) such costs and expenses are incurred with the **Mutual's** prior written consent and

- (b) the subject of the hearing tribunal or proceeding may become a **claim** under this section of the **Cover**

Limit

The maximum amount the **Mutual** may pay under this extension is £15,000 in the aggregate in any one **cover period**

Exclusions

The **Mutual** will not consider any claim under this section of the **Cover** for or directly or indirectly arising out of or in any way connected with

- (1) any **claim** or circumstance which may give rise to a **claim** which was or ought to have been known to the **Member** prior to the **cover period**
- (2) (a) bodily injury sickness disease emotional distress (other than emotional distress arising from any libel or slander) mental anguish mental stress or the death of any person unless directly caused by a **wrongful act**
(b) bodily injury sickness disease emotional distress mental anguish mental stress or the death of any person receiving medical advice diagnosis or treatment
- (3) any actual or alleged physical abuse sexual harassment or sexual molestation
- (4) any damage to or destruction or loss of any property (except as provided by Cover 1(b) and Cover 2(a)) including loss of use unless directly caused by a **wrongful act**
- (5) any trading losses or trading liabilities incurred by the **Member** or any business managed by or carried on by or on behalf of the **Member**
- (6) any regulatory or disciplinary investigations or proceedings (apart from the indemnity provided under Cover 3) or any fines penalties or penal punitive exemplary restitutionary non-compensatory or aggravated damages or the additional award of damages consequent upon or by reason of any multiplication of compensatory damages
- (7) any **claim** or circumstance arising from or connected with the dishonest or fraudulent act or omission of any former or present trustee director officer or member of the management committee of the **Member**
- (8) any **claim** or circumstance arising from or connected with the dishonest or fraudulent act or omission of any **employee**
 - (a) in respect of any person committing or condoning such dishonest or fraudulent act or omission
 - (b) in the amounts recoverable from the dishonest or fraudulent person or persons or their estates or legal representatives
 - (c) arising after the discovery of reasonable cause for suspicion of dishonesty or fraud by the dishonest or fraudulent person or persons
 - (d) in the amount equivalent to
 - (i) any monies owed by the **Member** to any person committing condoning or contributing to the dishonest or fraudulent act or omission and
 - (ii) any monies held by the **Member** and belonging to such person
 - (iii) any monies recovered in accordance with Condition (3) of this section of the **Cover**
- (9) any liability of the **Member** as a director officer and/or trustee in the **Member's** respective capacity as a director officer and/or trustee
- (10) any actual or alleged liability whatsoever directly or indirectly arising out of resulting from or in consequence of or in any way involving or connected with asbestos or any materials containing asbestos in whatever form or quantity
- (11) the ownership possession or use of any aircraft watercraft hovercraft motor vehicle trailer or other means of transport or any buildings structures premises or land or any property (mobile or immobile)
- (12) any
 - (a) legal proceedings brought in a court of law outside the European Union Channel Islands or Isle of Man or brought in a court of law within those territories to enforce a judgment or order made in any court of law outside those territories
 - (b) liability arising from **Member's business** undertaken in the United States of America and/or Canada

- (13) any performance warranty guarantee penalty clause liquidated damages clause or similar provision unless the **Member's** liability would have existed to the same extent in the absence of such warranty guarantee or clause or similar provision
- (14) any circumstance concerning a **claim** brought by the **Member** or on the **Member's** behalf or any parent or subsidiary company of the **Member** or any person having a financial executive or controlling interest in the **Member** (unless the financial interest is less than 5%) or by or on behalf of any entity controlled or managed by the **Member** or where the **Member** has greater than a 5% financial interest or where the **Member** has accepted a financial interest irrespective of the amount in any entity in exchange for fees incurred
- (15) any breach of any obligation owed by the **Member** as an employer to any **employee** or former **employee** or applicant for employment
- (16) any contract for the provision of goods or services to the **Member** or any goods or products sold supplied made constructed installed maintained repaired altered or treated by the **Member** or on the **Member's** behalf unless such **claim** or circumstance is a direct result of the negligent design and/or negligent specification of the **Member** or any **employee** or any other person firm or company directly appointed by the **Member** and acting for the **Member** or on the **Member's** behalf
- (17) any passing-off or infringement of copyright design right registered design trademark or patent
- (18) any act error or omission committed or any loss suffered or costs incurred or any liability arising prior to the **retroactive date**
- (19) the **Member's** insolvency or bankruptcy
- (20) (a) the failure of any computer or other electronic processing device (except as provided under Cover 2) or of any program instruction or data for use in any computer or other electronic processing device equipment or system to function in the way expected or intended
- (b) the transmission or receipt of any virus program or code that causes loss or damage to any computer system and/or prevents or impairs its proper function or performance
- (21) any depreciation or loss of investment when such depreciation or loss arises from fluctuations in any financial stock or commodity or other markets and any express or implied warranty or guarantee relating to the financial return of any investment or portfolio of investments or in connection with any investment advice given or services performed which have not been authorised where such authorisation is required under any statutory regulation by an appropriate statutory authority
- (22) any repair replacement or reconstitution cost of any **document** directly or indirectly occasioned by any government or public or local authority action or order or resulting from wear or tear the action of vermin gradual deterioration or magnetic flux or loss of magnetism (except where caused by lightning)
- (23) **clinical trials** and/or the administration of drugs and/or medicines
- (24) any matter in respect of which indemnity is provided by any other cover or insurance
- (25) any loss damage cost or expense
- (i) directly or indirectly caused by contributed to by resulting from or arising out of or in connection with any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- (ii) of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to any **act of terrorism**
- If the **Mutual** alleges that by reason of this exclusion any loss damage cost or expense is not covered by this **Cover** the burden of proving the contrary shall be upon the **Member**

Conditions

- (1) The **Mutual** must be **notified** in writing as soon as practicable during the **cover period**
 - (a) of any **claim**
 - (b) regardless of any previous notice of receipt of any Claim Form Particulars of Claim Arbitration Notice or any other formal document commencing legal proceedings copies of all such documents being provided with such notification
 - (c) of any circumstance of which the **Member** shall become aware which may give rise to a **claim**
 - (d) of any circumstance of which the **Member** shall become aware which may give rise to an entitlement to have a **claim** considered under this section of the **Cover**

In the event that the **Mutual** is **notified** during the **cover period** of any circumstance which in the **Mutual's** reasonable opinion may give rise to a **claim** then any subsequent **claim** which arises directly from the circumstance so **notified** shall be deemed to have been made during the **cover period**

- (2) (a) the **Member** must promptly provide to the **Mutual** full details concerning any **claim** and any circumstance which may give rise to a **claim** and any circumstance where the **Member** has requested to be paid under this section and provide such co-operation and assistance as the **Mutual** and the **Mutual's** representatives legal advisers or agents may reasonably require
- (b) the **Member** and any **employee** (or any person charity firm or company acting for the **Member** or on the **Member's** behalf) shall ensure that all documents relevant to any **claim** and any circumstance which may give rise to a **claim** shall not be destroyed or otherwise disposed of
- (c) the **Member** (or any **employee** or any person charity firm or company acting for the **Member** or on the **Member's** behalf)

- shall not without the **Mutual's** prior written approval admit liability for compromise settle or make any offer or payment in respect of any **claim** or any circumstance likely to give rise to a **claim** or any circumstance where the **Member** has requested to be paid under this section of the **Cover**
- (d) the **Member** shall pay any **excess** applying
- (3) Where a **claim** or circumstance against the **Member** involves the dishonest or fraudulent act or omission of any **employee**
 - (a) the **Member** shall at the **Mutual's** request and expense take all reasonable steps to obtain reimbursement from such person
 - (b) any monies which but for the dishonest or fraudulent act or omission would be due to such persons from the **Member** or any monies of such persons held by the **Member** shall not be repaid
 - (c) nothing in this **Cover** shall preclude the **Mutual** from exercising any right of subrogation against any person committing or condoning such dishonest or fraudulent act or omission
 - (d) no payment will be provided to any person committing or condoning such dishonest or fraudulent act or omission
 - (e) no payment shall be made by the **Mutual** under this section of the **Cover** until after the final ascertainment of the amount of any recovery from the dishonest or fraudulent person or persons or their estates or legal representatives
- (4) The **Mutual** shall be entitled but not obliged to take over the investigation defence and settlement of any **claim** and any circumstance likely to give rise to a **claim** and any circumstance where the **Member** has requested to be indemnified under this section of the **Cover** The **Mutual** shall have full discretion in the handling thereof (notwithstanding that a dispute may have arisen between the **Mutual** and the **Member**) provided always that the **Member** shall not be obliged to defend any legal proceedings unless a Queen's Counsel (to be mutually decided upon by the **Mutual** and the **Member**) shall advise that such proceedings can be contested with a reasonable prospect of success

- (5) Upon operation of this **Cover** in relation to any **claim** or circumstance the **Mutual** shall be subrogated to all the **Member's** rights of recovery against any third party provided always that the **Mutual** shall not exercise any such rights against any **employee** or former **employee** unless the loss in respect of which cover is provided under this section of the **Cover** was caused or contributed to by a fraudulent dishonest or malicious act or omission by the **employee** or former **employee**. The **Member** shall without charge provide such assistance as the **Mutual** may reasonably require in any subrogation and shall at all times protect and preserve any rights of recovery to which the **Mutual** would become subrogated under this section of the **Cover**. The **Member** agrees that at the **Mutual's** option the **Mutual** may have the conduct of any proceedings to recover monies paid or agreed to be paid by the **Mutual** whether or not the **Member** has an interest in such proceedings by reason of any losses which are not covered

General information

Appeals procedure

A Member has the right to appeal the Mutual's decision on its claim to the Mutual's Board of Directors.

A letter of appeal explaining why the claim should be dealt with differently should be submitted to the Chairman of the Board of Directors at the following address:

The Chairman
The Masonic Mutual Limited
Floor 3
Westcombe House
2/4 Mount Ephraim
Tunbridge Wells
Kent
TN4 8AS

Supporting documents which have not already been provided to the Mutual should be enclosed with the letter. These will vary depending on the type of claim, but may include replacement invoices for any contents/valuables, invoices for repair/redecoration and a detailed list of all items claimed.

The Board will review the letter of appeal and supporting documents along with the Mutual's claim file to date. The Board may request additional information from the Member to help it investigate the matter and reach a decision.

The appeal will be considered by the Board as soon as reasonably possible at its next meeting following receipt of the letter of appeal, supporting documents and any other information which may be requested. The outcome of the appeal will be notified in writing shortly after. The Board's decision is final and it is not obliged to explain the reason for its decision.

Complaints procedure

The Mutual is committed to handling any complaint received promptly and in a fair and effective manner. Complaints can be made over the phone or in writing using the following contact details:

The Masonic Mutual Limited
7 Maltings Place
169 Tower Bridge Road
London
SE1 3JB

Tel: 0203 327 3356

Email: info@themasonicmutual.com

Your complaint will be acknowledged in writing within five working days of receipt and every effort will be made to resolve the matter as soon as possible. If the Mutual cannot resolve your complaint within five working days, it will write to you to acknowledge receipt, advise who is dealing with the complaint and what steps are being taken. You will be kept fully informed of the progress of your complaint until brought to a conclusion.

The mutual covers are provided by the Mutual on a discretionary basis up to the limit of the Mutual's retention. Provision of discretionary mutual cover is not regulated by the Financial Conduct Authority and therefore there is no ultimate right of referral to the Financial Ombudsman Service.

This complaints procedure does not affect your right to take legal proceedings.

Financial Ombudsman Service

In addition to providing mutual covers, the Mutual may also purchase or arrange insurance policies on your behalf. The Mutual is regulated by the Financial Conduct Authority for its role in organising these policies for you. Complaints concerning the Mutual's regulated activities may ultimately be referred to the Financial Ombudsman Service if you are not satisfied with our final response, or if eight weeks have passed since you first brought your complaint to our attention. The Ombudsman's contact details are:

The Financial Ombudsman Service
Exchange Tower
E14 9SR

Tel: 0800 023 4567 or 0300 123 9123

Email: complaint.info@financial-ombudsman.org.uk

