



# Hair and beauty

Policy document

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# A warm welcome to Zurich

Thank *you* for taking out *your* Hair and Beauty Insurance policy with *us* – and welcome to Zurich Insurance plc.

As one of the largest general insurers in the UK, *we* have a wealth of expertise and experience backed up by the global strength of the Zurich Financial Services Group. Zurich is renowned for innovation and customer dedication – *our* experts are constantly reviewing how *we* can update and improve *our* products and services for *you*.

At Zurich Insurance *we* have *your* future in mind and look forward to working closely with *you*.

**[www.zurich.co.uk](http://www.zurich.co.uk)**

# Shop policy

The policy, insurance agreement, schedule and any endorsements should be read as if they were one document.

The policy is a contract between *you* and *us*. *You* have made to *us* a proposal, which is the basis of and forms part of the contract.

We will insure *you* under those sections shown in the schedule during any *Period of Insurance* for which we have accepted *your* premium provided all the terms and conditions of the policy are kept.

## **Law applicable to the contract**

UK law allows both *you* and *us* to choose the law applicable to the contract. The contract will be subject to the relevant law of the United Kingdom, the Isle of Man or the Channel Islands relating to *your* address as shown in the schedule. If there is any dispute as to which law applies it shall be English law.

The parties agree to submit to the exclusive jurisdiction of the English Courts.

For and on behalf of Zurich Insurance plc.



**Guy Munnoch**

Chief Executive Officer of Zurich Insurance plc, UK Branch.

This is a legal document and should be kept in a safe place.

Please read this policy and all schedules, endorsements and certificates carefully and if they do not meet *your* needs return them to *us* or *your* insurance intermediary.

## **How we will use your data**

Zurich Insurance plc holds data in accordance with the Data Protection Act 1998. It may be necessary for *us* to pass data to other organisations that supply products and services associated with this contract of insurance. In order to verify information, or to prevent and detect fraud, we may share information *you* give *us* with other organisations and public bodies, including the Police, accessing and updating various databases. If *you* give *us* false or inaccurate information and we suspect fraud, we will record this and the information will be available to other organisations that have access to the database(s). We can supply details of the databases we access or contribute to, on request.

# Meaning of words

Certain words in the policy have special meanings. These meanings are given below or defined at the beginning of the appropriate section or sub-section. To help you identify these words in the policy we have printed them in *italics* throughout.

## **Average**

If, at the time of the *damage*, the sum insured is less than the full reinstatement value of the property insured the amount we will pay will be reduced in proportion to the amount of the underinsurance.

## **Bodily Injury**

Death, injury, illness or disease.

## **Buildings**

The buildings of the *premises* shown in the schedule comprising:

- a) the salon and residential accommodation and any outbuildings used in connection with the *business* or for domestic purposes
- b) landlord's fixtures and fittings
- c) underground pipes and cables for which *you* are responsible.

## **Business**

The business shown in the schedule including:

- a) the provision and management of canteen, social, sports and welfare organisations for the benefit of *your employees* and first aid, fire and ambulance services
- b) maintenance of property and *premises* owned or occupied by *you*.

## **Consequential Loss**

The amount of loss resulting from interruption of or interference with the *business* carried on by *you* at the *premises* in consequence of the *damage* in accordance with the terms contained in No. 8 of section B.

## **Damage**

Loss or *damage*.

## **Employee**

Any of the following people working for *you* in connection with *your business*:

- a) anyone who has entered into or works under a contract of service or apprenticeship with *you*
- b) any labour only subcontractor or anyone employed by them
- c) any self-employed person
- d) anyone who is engaged under a Work Experience Scheme or similar scheme
- e) anyone who is hired or borrowed by *you*.

## **Excess**

Where an excess is shown in the schedule, any section of this policy or any endorsement attached to the policy, the amount for which *you* will be responsible will be deducted from all claims for *damage* to material property after all other terms and conditions have been applied.

## **Premises**

The *buildings* and the land within the boundaries belonging to them.

## **We, Us or Our** (This meaning does not apply to section C)

Zurich Insurance plc.

## **You or Your**

The person, people or the company shown in the schedule as the Insured.

# Section A – buildings

## Property Insured

For the purposes of this section *buildings* includes walls, gates and fences around the *buildings* and belonging to them.

## Meaning of words

Words with special meanings in this section are defined on page 3.

They are: *average, bodily injury, buildings, damage, employee, excess, premises, we, us, our, you, your.*

## The cover

### What is insured

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#### **Buildings**

1 The *buildings* are insured against *damage*.

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#### **Rent**

2 If the *building* is made uninhabitable by *damage* which is insured by this section, we will pay for loss of rent, until the *building* is repaired or reinstated.

The most we will pay is 15% of the sum insured on *buildings*. The work of repair or reinstatement must be done without delay.

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#### **Glass**

3 Accidental breakage of fixed glass for which *you* are responsible in the premises.

The most we will pay is the cost of replacing broken glass with glass of similar quality or as otherwise recommended by the British Standard Code of Practice BS6262.

We will also pay for:

- the cost of boarding up until the broken glass is replaced
- *damage* to frames and framework of any description and the cost of removing or replacing any *contents* which may have to be removed to replace the glass.

The most we will pay is £500.

- mirrors, lettering, bending or ornamenting glass.

The most we will pay for is £1,000 for any one loss.

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### What is not insured

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*Your* attention is drawn to the Conditions and Exclusions detailed on pages 50-55 of the policy and the Special Exclusion on page 9 of the policy.

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Breakage of cracked or scratched glass.

*Damage* resulting from repairs or alterations to the *premises*.

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	What is insured	What is not insured
Sanitaryware	<p>4 Accidental breakage of fixed washhand basins, sinks and other sanitaryware for which <i>you</i> are responsible in the salon <i>premises</i>.</p>	<p><i>Damage</i> resulting from repairs or alterations to the <i>premises</i>.</p>
Property Owners Liability	<p>5 Any amounts which <i>you</i>, as owner of the <i>premises</i> become legally liable to pay as compensation for accidental death of or accidental personal injury to any person or accidental <i>damage</i> to material property, occurring during any Period of Insurance.</p> <p>Your legal liability under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises which have been disposed of by <i>you</i>. Provided that <i>you</i> have no other more specific insurance in force.</p> <p>The most we will pay for all claims made for any one occurrence or all occurrences of a series arising out of one original cause is £2,000,000. We will also pay legal costs awarded to any claimant or incurred in defending any claim that is contested with <i>our</i> consent.</p>	<p>Any liability:</p> <ul style="list-style-type: none"> <li>• arising from an agreement which imposes a liability which <i>you</i> would not otherwise have been under</li> <li>• arising from the occupation of the <i>premises</i></li> <li>• for <i>damage</i> to property owned or held in trust by <i>you</i> or <i>your</i> custody or control</li> <li>• for bodily injury or disease sustained by any <i>employee</i></li> <li>• for the cost of remedying any defect or alleged defect in the <i>premises</i>.</li> </ul>

### Settling claims

We will pay the full cost of repair or reinstatement of the damaged part of the *buildings* provided that the work is done without delay or at *our* option we will arrange for the work to be carried out. However, we will take off an amount for wear and tear if the *buildings* are in a poor state of repair or decoration.

We will not pay for repair or reinstatement to a condition better or more extensive than the condition of the *buildings* when new.

### Average

The sum insured under each *building* is separately subject to *average*.

<b>Additional costs</b>	<p>We will pay the necessary and reasonable expenses that <i>you</i> incur in repairing or reinstating the <i>buildings</i> following <i>damage</i> insured under this section, namely:</p> <ul style="list-style-type: none"> <li>• fees to architects, surveyors, consulting engineers and others</li> <li>• the cost of clearing the site and making it and the <i>premises</i> safe</li> <li>• the cost of complying with any government or local authority requirement following <i>damage</i> unless <i>you</i> were given notice of the requirement before the <i>damage</i>.</li> </ul> <p>We will not pay:</p> <ul style="list-style-type: none"> <li>• fees for preparing a claim under this section</li> <li>• for the cost of undamaged parts of the <i>buildings</i> (except the foundations of the damaged parts)</li> <li>• the cost of work stipulated in any notice already served upon <i>you</i></li> <li>• for costs or expenses incurred in removing debris other than from the <i>premises</i> and the area immediately adjacent</li> <li>• for costs or expenses arising from pollution or contamination of property not insured by this policy.</li> </ul>
<b>Limits</b>	<p>The most we will pay for <i>damage</i> to the <i>buildings</i>, including additional costs, is the sum insured under section A.</p>
<b>Automatic reinstatement of the sum insured</b>	<p>We will automatically reinstate the sum insured upon notification of a claim to <i>us</i> unless we give <i>you</i> written notice to the contrary.</p> <p>Provided that <i>you</i>:</p> <ul style="list-style-type: none"> <li>• pay the appropriate additional premium</li> <li>• take immediate steps to carry out any amendments in the protection of the <i>premises</i> that we may require.</li> </ul> <p>The most we will reinstate in any one <i>Period of Insurance</i> is the sum insured.</p>
<b>Index-linking</b>	<p><b>(This will only apply if shown in the schedule)</b></p> <p>We will automatically adjust the sum insured in line with changes in suitable indices of cost. This adjustment will continue after any insured <i>damage</i> if the repairs or reinstatement are done without delay.</p> <p>We will not charge any extra premium during the <i>Period of Insurance</i> but at the end of the period we will work out the renewal premium on the revised sum insured.</p>
<b>Selling your buildings</b>	<p>If <i>you</i> are selling <i>your buildings</i> we will insure the buyer up to the date the contract is completed unless he has arranged his own insurance. The buyer must keep to the terms and conditions of the policy.</p>
<b>Excess</b>	<p>The excesses applicable under this section are shown in the schedule attached to the policy.</p>

### **Special Exclusion applying to Section A**

*Damage* caused by pollution or contamination is not insured except (unless otherwise excluded) *damage* to the property insured caused by:

- pollution or contamination which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, bursting overflowing discharging or leaking of water tanks apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal
- any of the perils listed above which itself results from pollution or contamination.

*Your attention is drawn to the Conditions and Exclusions detailed on pages 50-55 of the policy.*

# Section B – salon contents

## Meaning of Words

Salon contents including:

- stock in trade and goods in trust
- trade fixtures and fittings
- the shop front and, if fixed to the *buildings*, any external signs, fitments and blinds
- telephone and fax installations, gas or electricity meters
- business books for their value as stationery plus the cost of clerical labour to reproduce them
- computer systems records for the cost of the materials and of clerical labour and computer time in reproducing them. The most we will pay is £10,000
- *your* personal belongings or those of *your employees*, directors or visitors. The most we will pay is £500 any one person
- tenants improvements and decorations

all contained in the *buildings* and belonging to *you* or for which *you* are responsible.

The following property is not included as *contents*:

- glass except as provided for elsewhere in this section
- *your* personal belongings or those of *your employees*, directors or visitors, comprising jewellery and furs and property insured more specifically
- landlord's fixtures and fittings
- motor vehicles, watercraft, aircraft and their accessories
- livestock
- deeds, bonds, bills of exchange, promissory notes, securities, medals, coins or stamps forming part of a collection
- cash, cheques, stamps or banknotes except as provided for elsewhere in this section
- any cost in connection with producing information to be recorded in documents, manuscripts, business books or computer systems records
- explosives
- property more specifically insured.

Other words with special meanings in this section are defined on page 3.

They are: *average, bodily injury, buildings, business, damage, employee, excess, premises, us, our, we, you, your.*

## The cover

### What is insured

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#### Contents

- 1 *Damage*
    - to the *contents*
    - to the *buildings* by theft or attempted theft for which *you* are responsible.
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### What is not insured

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*Your* attention is drawn to the Conditions and Exclusions detailed on pages 50-55 and the Special Exclusion on page 17 of the policy.

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## Additional costs

### Property Temporarily Removed and at Exhibitions

We will pay for *damage* as insured by this section to *contents* belonging to *you* or for which *you* are responsible whilst temporarily removed from the *premises* or at exhibitions. Provided that the *contents* remain within Great Britain, Northern Ireland, the Channel Islands, the Isle of Man or the Republic of Ireland.

We will not pay for *your* personal belongings or those of *your employees*, directors or visitors.

The most we will pay for any one item of *contents* is £1000 and £2500 in total.

### Theft of Keys

We will pay for the necessary replacement of locks following the loss of keys to the *buildings* or to any safe or strongroom in the *buildings* arising from:

- theft from the *buildings* or the home of any *employee* or director
- robbery whilst such keys are in the personal custody of *you* or *your employees*.

Provided that if the keys are to a safe, they are not left in the *buildings* overnight.

The most we will pay is £1,000.

### Loss of Metered Water

We will pay for excess water charges demanded from *you* by the water supply authority following loss of metered water as a result of *damage* insured by this section to fixed water pipes, tanks and apparatus.

The most we will pay is £2,500.

### Trace and Access

In the event of *damage* as insured by this section caused by the escape of water from fixed water apparatus or the leakage of fuel oil used solely for domestic purposes we will also pay for:

- costs and expenses incurred in locating the source of the *damage*
- costs and expenses incurred in repairing any *damage* caused in locating the source of the *damage*.

The most we will pay is £2,500.

### Debris Removal Costs

We will pay for costs and expenses incurred for removing debris of the *contents* following *damage* which is insured by this section.

We will not pay for:

- costs or expenses incurred in removing debris other than from the *premises* and the area immediately adjacent
- costs or expenses arising from pollution or contamination of property not insured by this policy.

<b>Settling claims</b>	<p>In the event of <i>damage</i> which is insured by this section to the property insured:</p> <ul style="list-style-type: none"> <li>• for <i>contents</i> other than stock in trade and goods in trust we will pay the full cost of repair or reinstatement of the property to a condition equal to but not better than its condition when new, provided that the cost is incurred</li> <li>• for stock in trade and goods in trust we will indemnify <i>you</i> either by payment, repair or at <i>our</i> option, reinstatement.</li> </ul>
<b>Average</b>	The sum insured by this section is subject to <i>average</i> .
<b>Limits</b>	The most we will pay under any item is the sum insured applicable to that item.
<b>Automatic reinstatement of the sum insured</b>	<p>We will automatically reinstate the sum insured upon notification of a claim to <i>us</i> unless we give written notice to the contrary.</p> <p>Provided that:</p> <ul style="list-style-type: none"> <li>• <i>you</i> pay the appropriate additional premium</li> <li>• <i>you</i> take immediate steps to carry out any amendments in the protection of the <i>premises</i> that we may require.</li> </ul> <p>The most we will reinstate in any one <i>Period of Insurance</i> is the sum insured.</p>
<b>Index-linking</b>	<p><b>(This will only apply if shown in the schedule)</b></p> <p>We will automatically adjust the sums insured under section B in line with changes in suitable indices of cost.</p> <p>These adjustments will continue after any insured <i>damage</i> if the repairs or reinstatement are done without delay.</p> <p>We will not charge any extra premium during the <i>Period of Insurance</i>, but at the end of the period we will work out the renewal premium on the revised sums insured.</p>
<b>Excess</b>	The excess applicable under this section is shown in the schedule attached to the policy.

## What is insured

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## What is not insured

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<b>Glass</b>	<b>2</b> Accidental breakage of fixed glass for which <i>you</i> are responsible in the salon <i>premises</i> .  The most we will pay is the cost of replacing broken glass with glass of similar quality or as otherwise recommended by the British Standard Code of Practice BS6262.  We will also pay for: <ul style="list-style-type: none"><li>• the cost of boarding up until the broken glass is replaced</li><li>• <i>damage</i> to the <i>contents</i> caused by breakage of glass in the shop front</li><li>• <i>damage</i> to frames and framework of any description and the cost of removing or replacing any <i>contents</i> which may have to be removed to replace the glass.</li></ul> The most we will pay is £500. <ul style="list-style-type: none"><li>• mirrors, lettering, bending or ornamenting glass.</li></ul> The most we will pay is £1,000 any one loss.
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Breakage of cracked or scratched glass.  
*Damage* resulting from repairs or alterations to the *premises*.

<b>Sanitaryware</b>	<b>3</b> Accidental breakage of fixed washhand basins, sinks and other sanitaryware for which <i>you</i> are responsible in the salon <i>premises</i> .
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*Damage* resulting from repairs or alterations to the *premises*.

<b>Seasonal Increase</b>	<b>4</b> The sum insured on <i>contents</i> insured by this section will be automatically increased each year by 30%: <ul style="list-style-type: none"><li>• during November and December</li><li>• for 30 days before Easter Day</li><li>• or for any other three month period to which we agree in writing.</li></ul>
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## Goods in Transit

### What is insured

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- 5 We will pay for *damage* as insured by this section to goods in transit in the course of collection and delivery anywhere in Great Britain, Northern Ireland, the Isle of Man, the Channel Islands and the Republic of Ireland by *you* or *your employees*.

The most we will pay is £2500.

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### What is not insured

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## Money

### 6 Meaning of words

#### **Money**

Cash, bank and currency notes, postal orders, cheques, banker's drafts, bills of exchange, unused units in postage stamp franking machines, postage stamps, revenue stamps, National Savings certificates, National Insurance stamps, stamped or franked National Insurance cards, Holiday-with-Pay stamps, Premium Savings bonds, luncheon vouchers, trading stamps, credit card sales vouchers, consumer redemption vouchers and gift tokens accepted by *you* and VAT purchase invoices, all pertaining to the *business* and belonging to *you* or for which *you* are responsible.

#### **Business Hours**

Any time when *you* or any of *your employees* or directors with responsibility for *money* are in the business portion of *your premises* for the purpose of *your business*.

### What is insured

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Physical *damage* to:

- *money*
- safes or strongrooms which normally contain *money* caused by theft or attempted theft

within Great Britain, Northern Ireland, the Channel Islands, the Isle of Man or the Republic of Ireland.

Provided that:

- a) whenever the salon is unattended any safe containing *money* is securely locked and all keys to that safe are removed from the *premises* or kept on *your* person or that of one of *your employees*
- b) *you* keep a complete record of *money* in transit and on *your premises* and deposit that record in a secure place other than a safe or strongroom containing *money*

### What is not insured

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Loss from any unattended road vehicle.

*Damage* caused by or due to:

- the dishonest acts of any *employee* not discovered within 14 days of the occurrence
- clerical or accounting errors.

## What is insured

## What is not insured

- c) where *money* in transit insured by item
- i) exceeds:
- £2,000 it must be accompanied by at least two able bodied adults
  - £4,000 it must be accompanied by at least three able bodied adults.

The most we will pay is listed as follows:

For *money* in the form of crossed cheques, postal orders, crossed banker's drafts, credit card sales vouchers, Premium Savings bonds, National Savings certificates, unused units in postage stamp franking machines, stamped or franked National Insurance cards and VAT purchase invoices

£250,000

For *money* in any other form:

i) in transit by <i>you</i> or <i>your employees</i>	£7,500
ii) in transit by post (but no more than £5 per packet while in transit by unregistered post)	£1,000
iii) in any bank night safe	£7,500
iv) in <i>your premises</i> during <i>business hours</i>	£7,500
v) in <i>your premises</i> outside <i>business hours</i> in a locked safe or strongroom	£2,500
vi) in <i>your premises</i> outside <i>business hours</i> not in a locked safe or strongroom	£250
vii) in <i>your home</i> or that of any authorised <i>employee</i>	£500
viii) elsewhere	NIL

## Malicious Attack

- 7** We will pay the sum or sums set out in the Table of Benefits shown below if *you* or any *employee* sustain *bodily injury* by violent, external and visible means as a result of malicious attack by anyone stealing or attempting to steal *money* or *contents*.

Provided that:

- *you* or any *employee* are engaged on *your business* at the time of the attack
- the *money* or *contents* are insured under the policy
- under benefit E we will not pay the benefit for more than 104 weeks
- we will only pay a benefit if death or disablement occurs within twelve months of the date of injury
- if we are satisfied that disability under benefit E is permanent, benefit D shall become payable when benefit E is exhausted. Except for this, we will not pay more than one benefit for the same accident
- we will not pay for more than one benefit for the same period of time
- no benefit shall be paid until its entire amount has been agreed.

### Table of benefits

If physical injury is the only and direct cause of:

A Death	£10,000
B Permanent total loss of one or more limbs	£10,000
C Permanent total loss of all sight of one or both eyes	£10,000
D Permanent total inability to attend to any occupation or business	£10,000
E Temporary total inability to attend to the usual occupation or business	Normal weekly wage or salary up to £100

In the event of *damage* to:

- *your* clothing or personal belongings or those of any *employee*
- any case, bag or waistcoat used for carrying *money*

as a result of malicious attack by anyone stealing or attempting to steal *money* or *contents*, we will pay for that loss. The most we will pay for any one person is £500.

### Business Interruption and Book Debts

## 8 Meaning of words

### ***Income***

The money paid or payable to *you* in the course of *your business* at the salon *premises* for goods sold or delivered and services provided less the purchase cost of the goods.

### ***Indemnity period***

The period during which the results of the *business* are affected as a result of *damage*.

The maximum period for which we will pay will not exceed:

- 3 months in respect of a *Notifiable disease*, or arising from murder or suicide at the *premises*
- 24 months in respect of any other claim under this section of the policy.

### ***Notifiable disease***

Illness sustained by any person resulting from:

- food or drink poisoning
- any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS)), an outbreak of which the competent local authority has stipulated must be notified to them.

### ***Outstanding debit balances***

The amounts debited or invoiced to customers as set out in *your* accounts but not paid at the time of the *damage* adjusted for bad debts and any abnormal trading conditions which had or could have had material effect on *your business*.

### ***Professional accountants' charges***

The reasonable charges payable by *you* to *your* professional accountant for producing details that we require for any claim.

## Business Interruption

### The cover

We will pay for the loss of *income* occurring during the *indemnity period*, as a result of interruption or interference with the *business* caused by *damage* to:

- the *contents* or glass insured under this section
- the *buildings* of the *premises* shown in the schedule

provided that at the time of the *damage* there shall be an insurance in force covering *your* interest in the property at the *premises* against *damage* and that payment shall have been made or liability admitted under that insurance

- property in the vicinity of the *premises* which prevents or hinders the use of the *premises* or access to them.

We will pay:

- the difference between the *income* you would have received during the *indemnity period* if there had been no *damage* and the *income* you actually received during that period
- extra expenses that you necessarily and reasonably incur in order to minimise the interruption or interference with the *business* during the *indemnity period*. Provided that the expenses incurred are not more than the reduction in *income* which would otherwise have been incurred
- *professional accountants' charges*.

We will take into account in calculating the payment:

- any savings during the *indemnity period* from business expenses payable out of *income* which stop or are reduced as a result of the *damage*
- any *income* you earn from conducting the *business* elsewhere during the *indemnity period*.

The definition of *damage* includes:

- 1 a) an outbreak of any *notifiable disease* occurring at the *premises* or which is attributable to food and drink supplied from the *premises*
- b) the discovery of vermin or pests at the *premises* which cause a competent local authority to restrict the use of the *premises*
- c) closure of the *premises* by a competent local authority because of defects in the drains or other sanitary arrangements
- d) murder or suicide occurring at the *premises*.

Provided that the beginning of the *indemnity period* will be:

- i) in the case of a) and d), when the incident happens or is discovered
- ii) in the case of b) and c), the date when the restrictions on the *premises* are applied

for the period specified in the *indemnity period*.

- 2 damage at any suppliers' *premises* within the United Kingdom.
- 3 the accidental failure of the public supply of electricity, gas or water at the terminal point of the supply authorities feed to the *premises*. We will not pay for any loss arising from the deliberate act of the supply authority.

- 4 the accidental failure of the telecommunications systems serving the *premises* (other than satellite services) at the incoming line terminals or receivers at the *premises* but excluding any failure of less than four consecutive hours duration. We will not pay for any loss arising from the deliberate acts of service providers.
- 5 *damage to contents* whilst in transit in Great Britain, Northern Ireland, the Isle of Man, the Channel Islands and the Republic of Ireland.

#### **Book Debts**

If *your* books of account or other *business* books or records at the *premises* or whilst temporarily removed from the *premises* and within Great Britain, Northern Ireland, the Channel Islands, the Isle of Man or the Republic of Ireland including whilst in the post, suffer *damage* which is insured by this policy and as a direct result of the *damage* you are unable to trace *outstanding debit balances* due to you we will pay you:

- a) the difference between *outstanding debit balances* and the total of the amounts received or traced
- b) additional expenses incurred by you with our consent in tracing and establishing *outstanding debit balances*
- c) *professional accountants' charges*.

#### **Limit**

The most we will pay for loss of *income* and Book Debts for any claim or claims arising from any one occurrence is £1,000,000 except for 2 – *damage* at suppliers' *premises*, where the most we will pay is £10,000 and 4 – failure of telephone system, where the most we will pay is £2,500.

#### **Special conditions applying to section B – no. 8 – Business Interruption and Book Debts**

- 1 We will not pay if the *business* is permanently discontinued, wound up or carried on by a liquidator or receiver, unless we have agreed to do so.
- 2 You must keep *your* books of account and other business books and records containing customers accounts in fire resisting safes or fire resisting cabinets of at least two hours fire resistance or store such records elsewhere than at the *premises*.

#### **Special condition applying to section B (other than no's. 8 – Business Interruption and Book Debts, 10 & 11 – Employers' & Public and Products Liability)**

*Damage* caused by pollution or contamination is not insured except (unless otherwise excluded) *damage* to the property insured caused by:

- pollution or contamination which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood bursting overflowing discharging or leaking of water tanks apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal
- any of the perils listed above which itself results from pollution or contamination.

**Special Exclusion applying to section B  
(other than no. 8 – Business Interruption and Book Debts)**

Damage caused by pollution or contamination is not insured except (unless otherwise excluded) damage to an any property used by you at the premises for the purpose of the business caused by:

- pollution or contamination which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, bursting overflowing discharging or leaking of water tanks apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal
- any of the perils listed above which itself results from pollution or contamination.

**Employers' Liability**

**What is insured**

9 Your legal liability for *bodily injury* sustained by any *employee* which arises out of and in the course of his employment by you in connection with your *business*.

We will pay:

- all sums you become legally liable to pay for any claim for damages settled or defended with our consent
- claimant's costs and expenses
- all costs and expenses you incur with our consent in defending any claim for damages.

Provided that the *bodily injury* or disease is caused:

- during any *Period of Insurance*
- within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands or to *employees* employed in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and temporarily engaged elsewhere.

**What is not insured**

Any liability:

- for *bodily injury* sustained by any *employee*:
    - i) on any offshore installation or support or accommodation vessel for any offshore installation or
    - ii) in transit to or from or between any offshore installation or support or accommodation vessel.
  - for which compulsory motor insurance or security is required under either of the following:
    - i) the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992
    - ii) the Road Traffic Act (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993
- or any other Compulsory Road Traffic Legislation.

**Limit of Liability**

The most we will pay is £10,000,000 for any one claim against you or by you or series of claims against you or by you arising out of one cause.

This amount shall be inclusive of:

- i) all legal costs and other expenses incurred by any claimant or claimants
- ii) all legal costs and other expenses incurred in defending any claim or claims.

Where we agree to indemnify more than one party then nothing in this Policy shall increase our liability to pay any amount in respect of one claim or series of claims in excess of the amount stated above.

## Unsatisfied Court Judgements

### What is insured

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#### Extensions to the Employers' Liability cover

If any *employee* or his personal representatives obtains a judgement for damages for *bodily injury* against any Company or individual operating from premises within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and that judgement remains unpaid for more than six months we will pay to the *employee* or his personal representatives, at *your* request, the amount of any unpaid damages and awarded costs.

Provided that:

- the *bodily injury*:
  - i) is caused during the *Period of Insurance*
  - ii) arises out of and in the course of their employment in *your business*
- there is no appeal outstanding
- if any payment is made under this extension the *employee* or his personal representatives shall assign the judgement to *us*.

### What is not insured

---

## Court Attendance Expenses

We will pay *you* the rates shown below if any of these people are required to attend court as a witness at *our* request, in connection with a claim for which insurance is provided under this section:

- |   |              |
|---|--------------|
| i) <i>you</i> or <i>your</i> partner or<br>any director | £250 per day |
| ii) any <i>employee</i>                                 | £100 per day |

#### All the extensions to the Employers' Liability cover are subject to the following:

- we shall not be liable unless we have the sole conduct and control of all claims
- they shall not apply to any liability which is insured under any other policy
- the most we will pay will not increase and we will not pay more than stated
- the terms, exclusions and conditions of the policy.

## Public and Products Liability

### What is insured

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- 10 All sums which *you* shall become legally liable to pay as compensation for:
- accidental *bodily injury* to any person
  - accidental loss of or accidental damage to material property
  - accidental obstruction, accidental trespass, accidental nuisance or accidental interference with pedestrian, road, rail, air or waterborne traffic
  - charges of wrongful arrest or malicious prosecution being brought against *you* arising out of any allegation of shoplifting or other improper conduct at *your premises* by any person other than an *employee*

occurring during the *Period of Insurance* within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with the *business* or arising out of goods or commodities sold, supplied, repaired or serviced in connection with the *business*.

### What is not insured

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Any liability:

- from accidental *bodily injury* sustained by any *employee* or director in the course of his employment by *you* in connection with the *business*
- arising from professional advice given by *you* for a fee or in circumstances where a fee would normally be charged
- arising out of treatment or the dispensing of medicines or drugs
- which arises from ownership of the *premises*
- for the cost of repairing, replacing, reinstating, rectifying, recalling or guaranteeing the performance of any goods sold, supplied, repaired or serviced in connection with the *business*
- for *damage* to property which belongs to *you* or is held in trust by *you* or borrowed, rented, leased, or hired for use by *you*.

This shall not apply to:

- i) personal property (including vehicles and contents) of *your* visitors, directors or *employees*
  - ii) buildings or their contents temporarily occupied by *you* for the purpose of carrying out work
  - iii) premises rented, hired, leased or lent to *you* unless the liability attaches solely because of a contract or agreement
- for *damage* to that part of any property upon which *you* or *your* servant or agent has been working, where the *damage* is a direct result of such work
  - for liquidated damages, or fines or penalties which attach solely because of a contract or agreement

### What is not insured

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### What is not insured

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- arising from the ownership, possession or use of any mechanically propelled vehicle or mobile plant by *you* or on *your* behalf:
  - i) which is licensed for road use
  - ii) for which compulsory motor insurance or security is required
  - iii) which is more specifically insured.

This shall not apply to the loading and unloading of mechanically propelled vehicles or mobile plant unless more specifically insured

- arising from the ownership, possession or use by *you* or on *your* behalf of:
    - i) craft designed to travel through air or space
    - ii) hovercraft or watercraft other than barges, motor launches and non powered craft used on inland waterways.
- 

### Limit of Liability

The most we will pay, unless otherwise stated, for all claims made for any one accident or series of accidents occurring in connection with any one event is £2,000,000. For claims arising from commodities or goods sold, supplied, repaired or serviced by *you* or on *your* behalf, the most we will pay for any one *period of insurance* is £2,000,000. We will also pay legal costs awarded to any claimant or incurred in defending any claim that is contested with *our* consent.

## Hairdressers and Beauticians Treatment

### What is insured

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#### Extensions to the Public Liability cover

The Public Liability cover provided by this Policy includes *your* legal liability arising from treatments and facilities provided by *you* in connection with the *business*.

Provided that:

- any item designed to pierce the skin while in use be new or sterilised before use
- for electrolysis, laser hair removal, machine assisted massage and skin restoration the equipment is
  - a) only operated by a suitably trained person
  - b) used for the purpose it was designed in accordance with the manufacturers instruction
  - c) inspected at least annually by a qualified person and any defects are remedied before further use
- for electro-mechanical slimming treatments, sauna, turkish bath and hydro massage facilities solaria and sunbeds
  - a) there is regular supervision by a trained person who remains on the *premises* while the equipment is in use
  - b) instruction is given to customers as to the safe method of use of the equipment including suitable warnings as to potential health risks
  - c) all electrically operated equipment is inspected at least annually by a qualified electrical engineer and any defects are remedied before further use
- for sauna, turkish bath and hydro-massage facilities all floors subject to damp or wet conditions have non slip surfaces.

### What is not insured

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Any Liability:

- for the cost of repairing, removing, replacing, rectifying, making good, recalling, or altering, any products sold or supplied by *you*
- for refunds in respect of any treatments given or facilities provided by *you*.

### Non-manual work abroad

#### What is insured

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This insurance applies anywhere in the world where *your* directors, *employees* or partners are on temporary visits on *your business* for the purpose of non-manual work. Provided that they are normally resident in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

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### Personal Liability during visits abroad

The personal liability of:

- *you*
- any *employee* or director
- the family of any *employee* or director while accompanying such a person during temporary visits anywhere in the world in connection with *your business*.

Provided that such people shall keep to the terms, exclusions and conditions of this policy as they apply to the Public Liability cover.

#### What is not insured

---

Any liability:

- arising from any contract or agreement which imposes a liability that *you* would not otherwise have been under
  - arising from the ownership or occupation of any land or buildings
  - arising from the carrying on of any trade or profession
  - arising from the ownership, possession or use of:
    - i) firearms other than sporting guns
    - ii) mechanically propelled vehicles
    - iii) craft designed to travel through air and space
    - iv) hovercraft or watercraft
    - v) animals of dangerous species
  - arising from *damage* to property owned or held in trust by:
    - i) *you*
    - ii) any *employee* or director
    - iii) the family of any *employee* or director
  - for accidental *bodily injury* contracted by:
    - i) *you*
    - ii) any *employee* or director
    - iii) the family of any *employee* or director.
- 

### Cross Liabilities

Where this policy is in the joint names of more than one party we will deal with any claim as though a separate policy had been issued to each of them.

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## Motor Contingent Liability

### What is insured

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All sums which *you* and *you* alone shall become legally liable to pay as compensation for:

- accidental *bodily injury* contracted by any person
- accidental *damage* to material property arising out of the use of any motor vehicle being used in connection with *your business*.

### What is not insured

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Any liability:

- arising from the use of a motor vehicle which *you* own or provide
- arising from a motor vehicle driven by *you*
- for any *damage* to the vehicles or goods carried in them
- arising while the vehicle is being driven by any person who, to *your* knowledge, does not hold a driving licence unless that person has held one and is not disqualified from holding one
- arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- attaching to any person other than *you*.

## Consumer Protection Act 1987

We will, at *your* request, pay all legal expenses or fees reasonably incurred in defending any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 including costs and expenses incurred with *our* consent in an appeal against conviction.

Provided that:

- the alleged breach occurs during the Period of Insurance
- the criminal proceedings relate to an offence committed in the course of *your business*
- the proceedings are brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- we have sole conduct and control of all claims
- *you* or any *employee* shall tell *us* immediately if any summons or other process is served upon *you* or any *employee* and of any event that may give rise to proceedings against such people.

The most we will pay is £25,000.

Legal fees or expenses where *you* or *your employee* are insured by another policy.

Legal fees or expenses where proceedings are for any deliberate or intentional criminal act or omission by *you* or any *employee*.

Legal costs and expenses which *you* or any *employee* may be ordered to pay by a court of criminal jurisdiction for any deliberate or intentional criminal act or omission of *you* or any *employee*.

Fines or penalties.

The cost of any investigation or enquiry other than a solicitor's investigation restricted to criminal proceedings as defined in this sub-section.

**Special condition applying to no. 10 of section B – Public and Products Liability**

Liability arising from Pollution or Contamination is not insured unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

The most we will pay for all claims arising from Pollution or Contamination which is deemed to have occurred during the Period of Insurance is £2,000,000. Provided that the most we will pay will not increase and we will not pay more than the limit stated under No. 10 of section B.

For the purpose of this condition ‘Pollution or Contamination’ shall mean:

- i) all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- ii) all *damage* or personal injury directly or indirectly caused by such Pollution or Contamination.

**All the extensions to the Public and Products Liability cover are subject to the following:**

- we shall not be liable unless we have the sole conduct and control of all claims
- they shall not apply to any liability which is insured under any other policy
- the most we will pay will not increase and we will not pay more than stated
- the terms, exclusions and conditions of the policy.

**What is insured**

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**What is not insured**

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**Solicitors’ Fees**

**Extensions to the Employers’ Liability and Public and Products Liability Cover**

We will pay Solicitors’ fees incurred with *our* consent for:

- i) representation at any Coroner’s Inquest or Fatal Enquiry in respect of any death
- ii) defending in any Court of Summary Jurisdiction any proceedings in respect of any act or omission causing or relating to any event

which may be the subject of indemnity under this section.

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### **Indemnity to Directors and Employees**

#### **What is insured**

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If the following people have a claim made against them for which *you* would be insured by this section, *we* will pay for any amounts for which they are legally liable:

- any *employee* or director
- any officer, member or *employee* of *your* social, sports or welfare organisations or first aid or medical arrangements (but excluding medical practitioners) fire or ambulance services.

Provided that:

- *you* request *us* to do so
- such people shall keep to the terms, exclusions and conditions of this policy.

### **Health and Safety at Work Act 1974**

*We* will pay, at *your* request, all legal fees and expenses incurred in the defence of any criminal proceedings brought against *you* or one of *your employees* or directors for a breach of the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 including legal costs and expenses incurred with *our* consent in an appeal against conviction.

Provided that the breach was committed or alleged to have been committed during the Period of Insurance.

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#### **What is not insured**

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Proceedings brought outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

This extension shall not apply:

- i) where proceedings relate to any deliberate or intentional act or omission
  - ii) to fines or penalties of any kind.
-

**Corporate  
Manslaughter  
and Corporate  
Homicide Act 2007**

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**What is insured**

We will indemnify *you* against costs and expenses incurred with *our* prior written consent in the defence of any criminal proceedings arising from an alleged breach of the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands committed or alleged to have been committed during the period of insurance in the course of the *business* including any appeal against conviction arising from such proceedings.

---

**What is not insured**

Proceedings brought outside the *territorial limits*.

This extension shall not apply:

- a) where proceedings relate to any deliberate or intentional act or omission
- b) to fines or penalties of any kind.

The defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of the Health and Safety at Work Act 1974 or any regulations made thereunder.

Defence costs available from any other source or provided by any other insurance or where but for the existence of this extension indemnity would have been provided by such other source or insurance.

---

Provided that:

- *our* liability under this extension will not exceed £5,000,000 in any one period of insurance. This limit will form part of and not be in addition to the limit of liability
- *we* must consent in writing to the appointment of any solicitor or counsel who are to act for and on *your* behalf
- *you* will give *us* immediate notice of any summons or other process served upon *you* which may give rise to proceedings under this extension
- in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- where *we* have already indemnified *you* in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of and or investigation connected with corporate manslaughter or corporate homicide under another extension of the policy the amount paid under that extension will be taken into account in arriving at *our* liability payable under this extension.

	What is insured	What is not insured
<b>Private Work</b>	Private work carried out by any <i>employee</i> for <i>you</i> or any of <i>your</i> directors.	

**All these extensions to the Employers' Liability and Public Liability and Products Liability cover are subject to the following:**

- we shall not be liable unless we have the sole conduct and control of all claims
- they shall not apply to any liability which is insured under any other policy
- the most we will pay will not increase and we will not pay more than stated
- the terms, exclusions and conditions of the policy.

	What is insured	What is not insured
<b>Tenant's Liability</b>	<p>(This does not apply if <i>you</i> are the owner of the <i>buildings</i>).</p> <p>Your legal liability as tenant for:</p> <ul style="list-style-type: none"> <li>• <i>damage</i> to the <i>buildings</i> or to landlord's fixtures and fittings directly caused by any of the events insured by section B</li> <li>• the cost of repairing accidental <i>damage</i> to underground pipes, drains and cables on the <i>premises</i> or connecting them to the public mains.</li> </ul> <p>The most we will pay is 10% of the <i>contents</i> sum insured.</p>	

Your attention is drawn to the Conditions and Exclusions detailed on pages 50-55 of the policy.

# Section C – legal expenses

## Meaning of Words

### Acts

The

- Sex Discrimination Acts 1975 and 1986
- Health and Safety at Work Act 1974
- Race Relations Act 1976
- Trade Union and Labour Relations (Consolidation) Act 1992
- Fair Employment (Northern Ireland) Acts 1976 and 1989
- Disability Discrimination Act 1995
- Employment Rights Act 1996
- National Minimum Wage Act 1998
- Working Time Regulations 1998
- Employment Relations Act 1999
- Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000
- Employment Act 2002

and any amending legislation.

### Attendance Expenses

The salary or wages paid by *you* of any director, partner or *employee* for the period he or she is absent from work to attend at any court hearing either:

- as a witness on *your* behalf and at the request of the *professional adviser* in respect of a matter involving a claim which has been accepted under this section of the policy
- as a party to legal proceedings and at the request of the *professional adviser* in respect of a matter involving a claim which has been accepted under this section of the policy
- as a juror.

The maximum amount payable per day shall be £100 per person but this shall not exceed £5,000 in respect of all *attendance expenses* arising from one *event*.

### Business Premises

The business premises declared to and accepted by *us* being premises owned by *you* or for which *you* are legally responsible and used by *you* for the purposes of *your* business.

### Compensation Awards

Basic and compensatory awards made against *you* under the *Acts* which *you* are ordered or agree to pay with *our* written consent. This does not include awards made under sections 158 and 173 of the Employment Rights Act 1996 nor does it include:

- payments made in settlement of proceedings under that *Act*
- *pay awards*
- redundancy payments
- notice entitlement
- pay in lieu of notice
- fines or penalties imposed by a court of criminal jurisdiction.

### **Conditional Fee Agreement**

A valid agreement made between *you* and *your professional adviser* with *our* prior written consent where the *professional adviser's fees* and disbursements or any part of them are payable by *you* only if *your* claim succeeds.

### **Costs**

The

- reasonable unrecovered legal fees and disbursements which *you* are liable to pay to *your professional adviser*
- reasonable legal fees and disbursements *you* are ordered to pay or have agreed to pay with *our* prior written consent.

### **Dismissal**

The meaning given by section 95 of the Employment Rights Act 1996.

### **Employee**

For the purpose of this section of the policy only, the definition of *employee* includes any former or existing *employee* employed by *you*. This does not include any prospective *employee*.

### **Employer Compliance Review**

An inspection of *your* PAYE and National Insurance records and returns of expenses payments by the Employer Compliance Unit of the Inland Revenue.

### **Event(s)**

The word or words underlined under 'What is Covered'. The event for the purposes of a claim under Cover 9 of this section (Tax Disputes) is defined in that section. For the purposes of the Limit of Indemnity and the excess, only one event will be regarded as having arisen from all causes of action, incidents or events which are related by cause, place or time.

### **First Period of Insurance**

The first period of this legal expenses insurance which has remained continuously in force.

### **Inland Revenue Enquiry**

An enquiry into *your* returns of income or profit from a trade, profession or business commenced by the Inland Revenue under sections 9A or 12AC of the Taxes Management Act 1970 or under paragraph 24, schedule 18 to the Finance Act 1998.

### **Legal Action**

Steps *you* need to take to protect *your* legal rights through a court, as long as that court is within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

### **Legal Expenses Insurer**

Brit Insurance Limited of 55 Bishopsgate, London, EC2N 3AS, who is regulated by the Financial Services Authority.

### **Pay Awards**

Awards made against *you* under section 93 of the Employment Rights Act 1996 when a court declares the 'written statement' to have been inadequate or untrue. It does not include awards made when *you* have unreasonably refused to supply the 'written statement'.

### **Period of Insurance**

The period of *your* legal expenses cover under this policy as set out in *your* schedule and starting with the *first period of insurance*.

### **Professional Adviser**

The solicitor or suitably qualified tax adviser appointed to act for *you* under this section of the policy.

### **Prospects of Success**

In *our* reasonable opinion:

- it is more probable than not that *your* claim will succeed assuming that it is determined at a final hearing that *you* will be able to obtain the compensation or result *you* are seeking
- *your* interests cannot be better achieved by other means.

### **Reinstatement/Re-engagement Awards**

Awards made against *you* when a court makes an order for reinstatement or re-engagement under section 113 of the Employment Rights Act 1996.

### **Statutory Licence**

A licence declared to and accepted by *us* which has been issued under statute or statutory instrument or by government or local authority to *you* where the licence is necessary for *your* normal *business* activities.

### **VAT Dispute**

A dispute with H M Customs and Excise regarding the amount of VAT payable by *you* where there are reasonable grounds for such dispute.

### **We, Us, Our**

For the purpose of this section of the policy only, *we*, *us* and *our* shall mean Capita Assistance, a trading division of Capita Insurance Services Limited, acting on behalf of the *legal expenses insurer* to manage this legal expenses insurance.

### **You, Your**

The person, people or company shown in the schedule as The Insured and, at *your* request, any relevant *employee*.

Other words with special meanings in this section are defined earlier in this policy. They are: *business*, *employee*, *excess*.

## The Cover

### What is insured

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#### 1 Employment

- a) *Your costs and attendance expenses of legal action* to defend a civil claim brought against *you* by an *employee* who alleges that he or she has suffered a breach of his or her rights under the acts.
- b) *Compensation awards, reinstatement/ re-engagement awards and pay awards* arising from any matter described in
  - a) above
- c) *Your costs and attendance expenses of legal action* to defend a civil claim brought against *you* by an *employee*:
  - i) for wrongful dismissal, and/or
  - ii) who alleges a breach by *you* of his or her contract of employment.

#### Conditions Precedent

- 1. Without prejudice to Condition 2 – Reporting of Claims – of this section of the policy, if *you* wish to obtain indemnity under this section of the policy *you* must immediately contact *our* legal helpline on 08701 648032 and follow the advice given and procedures laid down by *us* where:
  - a) *you* are contemplating disciplinary action, suspension or dismissal
  - b) *you* receive a form ET1 (originating application) from an Employment Tribunal. This must be dealt with quickly because of the statutory 21 day time limit for entering a notice of appearance (ET3). The notice of appearance should be left blank for completion by the *professional adviser*

### What is not insured

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- a) Any claim where the *event* leading to a claim happens within 30 days of the start of the *first period of insurance*
- b) If an *employee* in respect of whom a claim is made under this policy was at the time of an *event* subject to disciplinary proceedings or any verbal or written warning, any claim where such *event* happens within 180 days of the start of the *first period of insurance*
- c) Any claim arising from or relating to:
  - i) *you* deliberately avoiding:
    - 1. liability for a redundancy payment, or
    - 2. liability for monies or benefits due under a contract of employment
  - ii) Article 141 EEC Treaty or under the Equal Pay Act 1970 and any amending legislation
  - iii) the *dismissal* of any *employee* unless the *dismissal* is handled according to the advice provided and procedure laid down by *our* legal helpline
  - iv) a transfer that falls within the Transfer of Undertakings (Protection of Employment) Regulations 1981, as amended
  - v) any reference given by *you* regarding an *employee*
  - vi) a restrictive covenant in a contract of employment
  - vii) personal injury, death and/or loss of or damage to property
- d) Protective awards as defined in section 189(3) of the Trade Union and Labour Relations (Consolidation) Act 1992 or settlements in respect of such awards
- e) Redundancy payments.

## What is insured

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- c) an *employee* or his or her solicitor requests a written statement of reasons for his or her *dismissal* or *you* receive from an *employee* a discrimination questionnaire. In these circumstances *you* must contact the legal helpline no later than 7 days from the date of the request or receipt of the questionnaire and prior to a statement or written reply being given
  - d) an *employee* makes a request for flexible working hours
  - e) an *employee* resigns following a dispute with *you*, resigns without notice or claims he or she was forced to resign.
2. No employee is to be disciplined, suspended or *dismissed* without *our* prior approval.
- 

## 2 Data Protection

*Your costs and attendance expenses of legal action:*

- a) in defending a civil claim brought against *you* arising from an alleged breach of the Data Protection Act 1998, or
  - b) in appealing against an enforcement or other notice under Part 5 of the Data Protection Act 1998 following *your receipt* of such a notice.
- 

## What is not insured

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Any claim arising from or relating to:

- a) a failure to register as a data controller
  - b) proceedings alleging contempt of the Information Tribunal
  - c) a failure to respond to any notice served under the Data Protection Act 1998
  - d) a failure to comply with any legislative requirement about the processing of sensitive company data.
-

## What is insured

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### 3 Prosecution Defence

*Your costs and attendance expenses of legal action:*

- a) in defending a criminal prosecution brought against *you* arising from an alleged act or omission by *you* in relation to *your* normal business activities
- b) in appealing to an Employment Tribunal against the service of improvement and prohibition notices on *you* under the Health and Safety at Work Act 1974.

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### 4 Employee Protection

*An employee's costs and your attendance expenses of legal action by that employee to defend a criminal prosecution arising from his or her alleged act or omission in the course of his or her duties as your employee.*

## What is not insured

---

Any claim arising from or relating to:

- a) the ownership, possession, hire or use of a motor vehicle
- b) a prosecution brought against *you* alleging:
  - i) intentional obstruction of a person in the execution of a warrant issued under the Data Protection Act 1998
  - ii) failure to give a person executing such a warrant the assistance that is reasonably required for its execution
- c) a prosecution alleging manslaughter
- d) a prosecution relating to drugs, indecent or obscene materials or immigration
- e) tax or National Insurance contributions.

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Any claim arising from or relating to:

- a) the ownership, possession, hire or use of a motor vehicle
  - b) a prosecution brought against an *employee* alleging:
    - i) intentional obstruction of a person in the execution of a warrant issued under the Data Protection Act 1998
    - ii) failure to give a person executing such a warrant the assistance that is reasonably required for its execution
  - c) prosecution of an *employee* for matters which do not relate to his or her duties as *your employee*
  - d) a prosecution alleging manslaughter
  - e) a prosecution relating to drugs, indecent or obscene materials or immigration.
-

## What is insured

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### 5 Contract

*Your costs and attendance expenses of civil legal action arising from a dispute between you and your customer or supplier about an agreement for the supply of goods or services. The agreement for goods or services must be entered into after the start of the *first period of insurance* and the dispute must be such that if proceedings are issued it will not be allocated to the Small Claims Track of the County Court under the Civil Procedure Rules 1998 (as amended from time to time).*

## What is not insured

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- a) Any claim where the *event* leading to a claim happens within 90 days of the start of the *first period of insurance*
  - b) Any claim where the dispute is such that if proceedings are or have been issued it will be allocated to the Small Claims Track of the County Court under the Civil Procedure Rules 1998 (as amended from time to time)
  - c) Any claim arising from or relating to:
    - i) the recovery of a debt from a customer or supplier where that customer or supplier does not dispute that the money is lawfully owed to *you*
    - ii) a dispute between a landlord and tenant or licensor and licensee
    - iii) the defence of professional negligence claims. For the purpose of this cover, 'professional negligence claims' shall mean a claim by a third party against *you* or any of *your* directors, partners or *employees* which alleges a negligent act, error or omission of a type which either is, or is normally, covered under a professional indemnity, directors and officers or similar insurance
    - iv) the sale, lease, service, repair or test of a motor vehicle
    - v) a contract of employment
    - vi) a dispute about securities, bills of exchange, goodwill, credit, guarantees, assignment, agency, franchisement or bailment
    - vii) the sale or purchase of real property
    - viii) construction contracts as defined by the Housing Grants, Construction and Regeneration Act
  - d) Any dispute arising from an arbitration clause in a contract unless we have agreed in writing to accept such a claim.
-

## What is insured

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### 6 Property Protection

*Your costs and attendance expenses of legal action in pursuing a civil claim against a third party (other than a director or employee) as a result of an act or omission by that third party in relation to *business premises* and/or goods owned by *you* which results in, or is likely to result in, uninsured financial loss to *you* resulting from physical damage to that property.*

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### 7 Tenancy Disputes

*Your costs and attendance expenses of legal action to pursue your landlord or to defend a claim against you by your landlord based on a breach of the terms contained within the lease or tenancy agreement applying to your *business premises*.*

## What is not insured

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Any claim arising from or relating to:

- a) a contract between *you* and a third party
- b) a lease or licence to occupy land or buildings
- c) a dispute over the possession of or right to occupy land and/or any building thereon
- d) goods in transit
- e) goods *you* have hired from or lent to third parties
- f) goods at premises other than *your business premises* unless they are to be installed at the premises or to be used in work carried out by *you*
- g) a motor vehicle belonging to *you* or in *your* possession except whilst on the *business premises*
- h) any dispute relating to tax, planning or building regulations or decisions or compulsory purchase orders.

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Any claim arising from or relating to:

- a) the amount, payment or non-payment of rent
  - b) the renewal of a lease or tenancy agreement.
-

## What is insured

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### 8 Statutory Licence Protection

Your costs and attendance expenses of an appeal to a relevant statutory body or court following receipt of a notice of suspension, revocation, alteration of the terms of or refusal to renew your statutory licence(s).

#### Condition Precedent

You must notify us of all statutory licences obtained by you during the Period of Insurance where such licences have not previously been declared to us.

#### Condition

Without prejudice to Condition 2 – Reporting of Claims – to this section of the policy, if you wish to obtain indemnity under this section of the policy you must immediately contact the legal helpline on 08701 648032 and follow the advice given and procedures laid down by us where you become aware of any threatened suspension, revocation, alteration of the terms of or refusal to renew a statutory licence.

### 9 Tax Disputes

Your costs and attendance expenses of legal action arising directly from:

- a) a VAT dispute with H M Customs and Excise where there are reasonable prospects of you obtaining a financial benefit and H M Customs and Excise indicates an intention to collect an additional amount of tax. For the purpose of this section of cover, the event shall be the earliest of:
  - i) the date on which H M Customs and Excise requests a meeting with you or enters your premises or expresses dissatisfaction with any of your VAT returns in writing;
  - ii) the date on which you or your adviser first became aware, or could reasonably have become aware, that a VAT dispute was likely to arise with H M Customs and Excise, or

## What is not insured

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Any claim arising from or relating to:

- a) an original application for or a standard renewal of a licence
- b) an appeal relating to the ownership, driving or use of a motor vehicle
- c) suspension, revocation, alteration of the terms of or refusal to renew a licence where this action is imposed by Act of Parliament
- d) a statutory licence which has not been declared to and accepted by us.

- a) Costs
  - i) incurred in dealing with routine matters (including but not limited to a VAT audit visit)
  - ii) incurred in dealing with VAT investigations by H M Customs and Excise or the National Investigations Service
- b) In respect of an Inland Revenue Enquiry only:
  - i) costs arising after the issue of a notice under Sections 28A(5) or 28B(5) of the Taxes Management Act 1970 or under paragraph 32, Schedule 18 to the Finance Act 1998 notifying you that the enquiry has been completed, and/or

## What is insured

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- iii) the date on which *you* are served with a notice of assessment
- b) an *Inland Revenue Enquiry* into *your* business accounts and records. For the purpose of this section of cover, the *event* shall be *your* receipt of a notice under Section 9A or Section 12AC of the Taxes Management Act 1970 or under paragraph 24, Schedule 18 to the Finance Act 1998
- c) a dispute with the Inland Revenue following an *Employer Compliance Review*. For the purpose of this section of cover, the *event* shall be the earliest of:
  - i) the date on which the Inland Revenue expresses dissatisfaction with the amounts of PAYE or National Insurance Contributions paid by *you* or *your* returns of expenses payments made;
  - ii) the date on which the Inland Revenue expresses dissatisfaction with the amounts of income tax paid by *you* in respect of payments to subcontractors not in possession of a CIS5 or CIS6 tax certificate, or
  - iii) the date on which the Inland Revenue starts an investigation into the accuracy of forms P9D or P11D or into *your* liability or that of an *employee* to pay additional tax because of alleged inaccuracies in such forms

and indicates an intention to collect additional amounts of tax.

### Conditions Precedent

1. Without prejudice to Condition 2 – Reporting of Claims – of this section of the policy, *you* must contact the tax helpline on 08701 648032 as soon as possible after the event, as defined, and comply with the advice given by the tax helpline.

## What is not insured

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- ii) costs incurred in respect of an amendment under Section 9(4) of the Taxes Management Act 1970 ('a repair') or under Section 12AB(2) of the Taxes Management Act 1970 or under paragraph 16, Schedule 18 to the Finance Act 1998, and/or
- iii) costs incurred otherwise than wholly in connection with an *Inland Revenue Enquiry* into *your* business profits. Where appropriate, *professional adviser's* fees will be apportioned
- c) Any claim where:
  - i) deliberate mis-statements have been made in respect of accounts, returns or any other submissions made to the authorities with intent to deceive
  - ii) *you* have failed to notify *your* business status to the relevant authorities within a statutory period
  - iii) there has been a failure to maintain or submit accurate, truthful and up to date records and returns or a failure to observe statutory time limits or requirements
  - iv) a false representation has been made either knowingly or without belief in its truth and this has resulted in a mis-statement of amounts payable, expenses claims, income or profits chargeable or losses allowable for tax or contributions purposes or of expenses payments made
- d) Any claim arising from or relating to:
  - i) an investigation or enquiry by the Special Compliance Office or costs following the transfer of an enquiry to that office
  - ii) tax or National Insurance contributions avoidance schemes
  - iii) VAT refunds in countries outside Great Britain and Northern Ireland or import VAT.

## What is insured

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2. *You* must have maintained and must continue to maintain accurate, truthful and up to date records and make returns in due time in accordance with statute and accounting conventions acceptable to H M Customs and Excise or the Inland Revenue where applicable and have made all returns and payments except those which are disputed and provided information to relevant authorities in due time.
3. *You* and *your professional adviser* must provide information to the Inland Revenue and H M Customs and Excise in due time and must comply with any statutory notice requesting information which is not the subject of an appeal.
4. *You* or *your professional adviser* should notify *us* in writing of any invitation by H M Customs and Excise or by the Inland Revenue to make an offer in settlement.
5. In respect of *Inland Revenue Enquiries* *your professional adviser* must provide copies of relevant correspondence between the Inland Revenue, the *professional adviser* and *you* (including the notice of enquiry) together with copies of the accounts, tax computations and return giving rise to the enquiry.

## What is not insured

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### 10 Jury Service

*Your attendance expenses* arising from jury service by any director, partner or *employee* following receipt by that director, partner or *employee* of a notice from a court within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man requiring his or her service on a civil or criminal jury at that court.

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Any claim which is unsupported by documentation from the relevant court evidencing attendance at that court by a director, partner or *employee* in respect of whom *attendance expenses* are claimed.

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## What is insured

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### 11 Personal Injury

Your costs of bringing *legal action* to pursue a civil claim resulting from an incident (other than one involving a motor vehicle *you* were driving) which causes *your* death or personal injury.

### 12 Uninsured Loss Recovery

Your costs of bringing civil *legal action* as a result of an accident on a public highway which happens while *you* are in, on, entering or leaving an Insured Vehicle and which causes:

- a) *your* death or personal injury
- b) uninsured loss of or damage to an Insured Vehicle or to property owned by *you* in or on an Insured Vehicle

as long as the Insured Vehicle was at the time of that accident being used in a way permitted by a valid motor insurance policy.

For the purpose of this cover, 'Insured Vehicle' shall mean a motor vehicle which is owned by or hired to *you* for which indemnity has been granted by a valid cover note or certificate of motor insurance.

## What is not insured

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Any claim arising from or relating to:

- a) medical or clinical treatment, advice, assistance or care
- b) stress, emotional or psychological injury
- c) illness, personal injury or death which is caused gradually or is not caused by a single act or omission.

Any claim:

- a) which does not arise from or relate to *your* normal *business* activities
- b) where the insurers of the Insured Vehicle repudiate the motor insurance policy or refuse to indemnify *you*
- c) where *you* were driving an Insured Vehicle without a valid licence and/or insurance
- d) more specifically insured or any amount that *you* cannot recover from a more specific insurance because the insurer refuses the claim
- e) arising from any event which happens outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- f) where the event giving rise to the claim was caused by faults in the Insured Vehicle or faulty, incomplete or incorrect servicing, maintenance or repair.

**Limits of Indemnity**

The maximum amount the *legal expenses insurer* will pay for any valid claim arising from an *event* under this section of the policy is:

Cover 1 – Employment	£100,000
Cover 2 – Data Protection	£100,000
Cover 3 – Prosecution Defence	£100,000
Cover 4 – <i>Employee Protection</i>	£100,000
Cover 5 – Contract	£100,000
Cover 6 – Property Protection	£100,000
Cover 7 – Tenancy Disputes	£100,000
Cover 8 – <i>Statutory Licence Protection</i>	£100,000
Cover 9 – Tax Disputes	£50,000
Cover 10 – Jury Service	£5,000
Cover 11 – Personal Injury	£100,000
Cover 12 – Uninsured Loss Recovery	£100,000

The maximum amount the *legal expenses insurer* will pay for all claims notified under this section of the policy during any single *Period of Insurance* shall be £500,000.

The maximum amount payable in respect of *attendance expenses* shall be included within and not additional to the Limits of Indemnity shown above.

**Excess**

*You* will pay the first £75 of each and every claim under this section of the policy, other than in respect of Cover 9b – Tax Disputes – where *you* will pay the first £250 or the first four hours of the *professional adviser's fees*, whichever is the less.

## Exclusions applying to this section of the policy

The *legal expenses insurer* will not pay for:

- A. the excess
- B. compensation, interest, penalties or taxes which *you* or *your* directors, partners or *employees* are ordered or agree to pay other than the compensation provided for under Cover 1 of this section of the policy
- C. 1. any claim:
  - a) notified to *us* more than 180 days after the *event*
  - b) where *your* delay during the *period of insurance* in telling *us* of an *event* has prejudiced *our* position
  - c) arising from an *event* which happens, or a series of *events* which starts, before the start of the *first period of insurance*
  - d) where before the start of the *first period of insurance* in *our* reasonable opinion *you* were aware, or should have been aware, that a claim was likely to be made
  - e) where *you* were driving a motor vehicle without a valid licence and/or insurance
  - f) more specifically insured or any amount that *you* cannot recover from a more specific insurance because the insurer refuses or rejects the claim
  - g) which is false, fraudulent or exaggerated
  - h) which does not arise from *your* normal *business* activities
- 2. any claim concerning or arising from:
  - a) anything to do with building, rebuilding, converting or extending all or part of a building
  - b) a dispute about a licence to occupy property
  - c) a tax or levy relating to *your business premises*
  - d) works by or under the order of any government, public or local authority
  - e) town and country planning laws and regulations
  - f) patents, copyrights, trademarks, merchandise marks, service marks, registered designs, intellectual or artistic property, secrecy or confidentiality agreements and passing off
  - g) a manufacturer's warranty or guarantee
  - h) subsidence, land heave, land slip, mining or quarrying
  - i) libel, slander or malicious falsehood
  - j) a dispute between *you* and *us* about this legal expenses cover
  - k) an application for judicial review
  - l) computer software operating systems and packaged software tailored by a supplier to *your* special order
  - m) deliberate discrimination amounting to an act of unlawful discrimination
  - n) prosecutions which allege dishonesty or intentional violence or any claim arising from any deliberate, criminal or dishonest act or omission by *you*

D. *costs and attendance expenses:*

1. associated with an appeal unless:
  - a) the appeal relates to an *event* that we have already covered under this section of the policy
  - b) *you* tell *us* in writing that *you* want to appeal at least six working days before *you* are required to give notice of appeal
  - c) we consider that the appeal has favourable *prospects of success*
2. of any private prosecution
3. (where the claim falls under Cover 1 of this section of the policy) of any disciplinary, investigatory or grievance procedure connected with an *employee's* contract of employment or the *costs* associated with any compromise agreement
4. *you* pay or agree to pay before we have accepted *your* claim in writing and *your professional adviser* confirms in writing that he or she will co-operate with *you* to keep to the terms of this legal expenses cover
5. for more than we have agreed
6. where *you* have entered into a *conditional fee agreement* or any other form of alternative funding without first obtaining *our* permission in writing
7. arising from *your* or *your professional adviser's* unreasonable behaviour or failing
8. where *you* do not meet *your* duties under this policy or *you* or *your professional adviser* are responsible for anything which in *our* reasonable opinion prejudices *our* position
9. where *you* act against or differently from the advice of *your professional adviser*
10. of or relating to any security *costs* *you* are ordered to pay or agree to pay
11. incurred in avoidable correspondence.

## Conditions applying to this section of the policy

### 1 Premium

*You must have paid the relevant premium, or have undertaken to do so.*

### 2 Reporting of claims

- a) *You must tell us in writing as soon as reasonably possible, but within 180 days of its occurrence, about any matter which could give rise to a claim being made under this section of the policy.*

*For avoidance of doubt, if there is more than one event arising from the same cause you must tell us as soon as possible after the first such event.*

*You must notify us of your claim by telephoning us on 08701 648032. Delay may prejudice your legal position. If you are in any doubt about your need to notify us of a claim under this insurance or your eligibility to make such a claim you should telephone us and ask to speak to one of our legal advisers.*

*We will send you a claim form. You must complete this fully and truthfully and return it to us and give us at your own expense any documentation, evidence, or other information that we may reasonably need in order to assess your claim.*

*To enable us to assess your claim you must tell your professional adviser to provide us, as soon as reasonably possible, with:*

- i) *his or her views on the merits of your claim*
  - ii) *his or her hourly rate and estimate of the total cost of pursuing or defending your claim*
  - iii) *any information, document or file (including your professional adviser's files) relating to your claim, whether or not privileged, that we may ask for*
- b) *Without prejudice to Condition 2a above, you will give us immediate notice of any proceedings brought against you, contemplated by you or believed by you to be considered by a third party and any summons or other process served or threatened to be served on you and/or any other incident or circumstance which may give rise to a claim under this section of the policy.*

### 3 Observance

The

- *due observance and fulfilment of the terms, conditions and endorsements of this policy insofar as they relate to anything to be done or complied with by you*
- *truth of any statement in your proposal and declaration*

*shall be conditions precedent to our liability to make any payment under this section of the policy.*

#### 4 Acceptance of your claim

The *legal expenses insurer* will pay *costs* and *attendance expenses* incurred after we accept your claim in writing and your *professional adviser* confirms in writing that he or she will co-operate with you to keep to the terms of this policy.

The *legal expenses insurer* will only meet the *costs* and *attendance expenses* of your claim:

- a) which have been agreed in advance by us as to both amount and purpose
- b) as long as there are favourable *prospects of success*.

If at any stage we consider that your claim does not have favourable *prospects of success*, we will give you an explanation of our decision in writing. The *legal expenses insurer* will not provide any further cover for your claim. If you disagree with our decision, you can refer the matter to an arbitrator in accordance with Condition 12 below.

#### 5 Appointment of professional adviser

At any time before we agree that legal proceedings need to be issued, we will choose a *professional adviser* to act for you. We reserve the right to require your *professional adviser*, where chosen by us, to act for you under a *conditional fee agreement*.

Only if legal proceedings have been issued, or a conflict of interest arises, can you choose a *professional adviser*.

If you discontinue your instructions to your *professional adviser* without our prior written permission, the liability of the *legal expenses insurer* will stop at once and we may recover from you any *costs* and *attendance expenses* already paid.

#### 6 Conduct of your claim

You must tell your *professional adviser* to keep us fully updated during your claim:

- a) on the progress of your claim, including any offers to settle
- b) of any change in his or her views on the merits of your claim
- c) of any change to his or her estimate of *costs*.

We will set spending limits for your *professional adviser's* fees and disbursements during your claim. If a limit is exceeded without our prior written permission, we will not pay for any fees or disbursements above the relevant spending limit. These limits will not affect our rights under Condition 11 below.

#### 7 Co-operation with us and your professional adviser

You will co-operate with:

- a) us at all times and reply promptly to any correspondence about your claim
- b) your *professional adviser* at all times and give him or her all information that he or she needs and will attend meetings and hearings whenever you are asked to do so.

#### 8 Investigation and payment of your claim

We or our agents may investigate your claim.

In our absolute discretion, we may pay you an amount equal to our reasonable estimate of the value of your claim, or that made against you, instead of providing cover for your *costs* and *attendance expenses*.

## 9 Settlement

*You or your professional adviser* must immediately write to tell *us* of any offer made to settle *your* claim including offers relating to *costs*. *You* must not accept any offers without getting *our* permission first. *We* will not withhold *our* consent in relation to an offer that a reasonable solicitor or tax adviser would recommend to a private client who is paying his or her own fees.

If *you* do not accept an offer we consider to be reasonable, we will not pay any further *costs* or *attendance expenses*.

## 10 Withdrawing and discontinuing

If *you* withdraw from or discontinue (stop) *your* claim without first getting *our* permission in writing the *legal expenses insurer* will not pay *costs* and/or *attendance expenses* and will be entitled to recover from *you* any fees and disbursements made or charged before the withdrawal or discontinuance. *We* will not withhold *our* permission in relation to a withdrawal or discontinuance that a reasonable solicitor or tax adviser would recommend to a private client who is paying his or her own fees.

## 11 Assessment and recovery of costs

*You* must, if we ask *you*, tell *your professional adviser* to send all of his or her files and any bill of *costs* for assessment by a court or certification by the appropriate professional body or auditing by consultants appointed by *us*.

*You* must:

- a) take reasonable steps to recover *costs* awarded or agreed to be paid to *you*
- b) immediately pay *us* any *costs* recovered, or tell *your professional adviser* to do so.

If *you* pay or agree to pay *costs* above the Limit of Indemnity in order to end *your* case, any *costs* awarded or agreed to be paid to *you* will be divided between *us* and *you* to reflect the proportion of *costs* that both *us* and *you* have paid or, but for the recovery of *costs* from *your* opponent(s), would be liable to pay. *You* will pay *us* or tell *your professional adviser* to pay to *us* the amount that is due to *us* immediately.

## 12 Disputes

Either *you* or *us* may refer any dispute to an arbitrator who will be a solicitor or barrister. If we cannot agree on an arbitrator, the Chartered Institute of Arbitrators will choose one. The arbitration will be under the Arbitration Acts in force and will be binding on the parties. If the arbitrator decides that *you* should pay the *costs* of the arbitration, we will not pay these or any *attendance expenses* under this section of the policy.

## 13 Notification of alteration in risk

*You* must notify *us* immediately of any alteration in risk which materially affects this legal expenses insurance. *You* must also declare information to *us* in the form and at the intervals we, at *our* discretion, specify and *you* will pay such additional premium to, or receive a refund of premium from, *us* as the case may be.

## 14 Insolvency

The *legal expenses insurer* will have the right to withdraw funding for *costs* under this policy where either at the commencement or during a claim under this section of the policy *you* are made bankrupt or go into liquidation or file a bankruptcy petition or winding up petition or make an arrangement with *your* creditors or enter into a deed of arrangement or part or all of *your* affairs or property are in the control of a receiver or administrator.

## 15 Agreement

The *legal expenses insurer* is not bound by any agreement that *you* or *your professional adviser* make without *our* prior approval or permission.

## 16 Waiver

If we waive any right or breach of any term of this section of the policy, this will not waive any other right or later breach.

## 17 Transferring *your* rights

*You* cannot transfer *your* rights under this section of the policy. A person, partnership (whether limited or not) or company who is not a party to this policy has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

## 18 Cancellation

*You* or *us* can cancel this section of the policy by giving 14 days notice in writing to each other. If we cancel, *you* may be entitled to a pro-rata refund of the premium for the cancelled *Period of Insurance* as long as *you* have not made a claim.

## Customer satisfaction – legal expenses cover only

If *you* are not satisfied with any part of the service *you* have received in relation to this legal expenses cover, *you* should contact *us* at the following address. *We* will send *you* a full response within five working days or, within that time, give an indication of when *you* can expect a response:

The Claims Services Manager  
Capita Assistance  
Aspen House  
Stephenson Road  
The Business Park  
Colchester  
Essex  
CO4 9QG.

Telephone: 08705 234500.

Complaints we are unable to satisfactorily resolve may be referred to the Financial Ombudsman Service, where *your* annual business turnover is less than £1,000,000:

Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR.

Telephone: 08450 801800.

This procedure does not affect *your* legal rights.

## Business legal and tax helpline

*You* can contact *our* helpline on 08701 648032 for advice on any business legal or tax problem directly affecting *you*. The legal helpline is available 24 hours a day, 365 days a year. The tax helpline is available between 9am and 5pm Monday to Friday (other than public holidays).

The advice available from the legal helpline is limited to the law and practices of Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, except the tax helpline which is limited to the law and practices of Great Britain and Northern Ireland.

## Medical Information Service helpline

This service is designed to help people whenever they face a medical or healthcare problem. *Our* nurses are available 24 hours a day, 365 days a year to provide detailed, common sense advice over the telephone. They will not diagnose or prescribe treatment, but they will provide comprehensive information to help cope with the problem. Fact sheets can be sent out where appropriate.

There is no time limit on calls and *you* may call as often as *you* wish. This helpline may be contacted on 08705 234999.

## Stress counselling helpline

This helpline is available for counselling on any stress problem of concern to *you*. The helpline is confidential and available for *your* use 24 hours a day, 365 days a year. Fact sheets can be sent out where appropriate.

There is no time limit on calls and *you* may call as often as *you* wish. This helpline may be contacted on 08705 234999.

**Calls to all of our claims and helpline numbers are monitored and recorded for training and legal purposes.**

# Endorsements applicable to all sections other than section C – legal expenses

(The following apply only if indicated in the schedule)

## Minimum Security Standard-Level A MSSA

Damage caused by theft or attempted theft is not insured unless devices for the security of the premises are installed in accordance with the following Specification and all such devices are put into full and effective operation whenever the salon premises are closed for business or left unattended:

### Specification

- 1 All external doors of the *buildings* occupied by *you* together with internal doors which give access to any part of the *buildings* not occupied by *you* must be fitted and secured with one of the following:
  - i) a mortice deadlock with matching boxed striking plate or a rim lock, which in either case conforms to BS3621:1980 Specification for Thief Resistant Locks
  - ii) a five (or more) lever close shackle padlock and locking bar
  - iii) in the case of aluminium or UPVC framed doors, an integral cylinder operated swingbolt mortice lock
  - iv) an alternative form of lock or locking system of at least similar quality and strength to BS3621:1980 which is approved by *us* in writing.
- 2 All outward opening external doors of the *buildings* occupied by *you* and internal doors which give access to any part of the *buildings* not occupied by *you* must be fitted and secured with hinge bolts.
- 3 All accessible opening windows, fanlights and skylights including those accessible from decks, roofs, fire escapes or downpipes must be fitted and secured with key operated window locks. This requirement does not apply to windows protected by solid steel bars, grilles, expanded metal or weld-mesh.

### Note:

- i) Any door or window officially designated a fire exit by the Fire Authority will require consultation with the Fire Authority so that the interests of both safety and security can be met.
- ii) The above measures comprise *our* minimum security requirements. Where additional protections are required by *us*, or where *we* agree to accept alternative security measures, *we* will specifically advise *you* in writing.

## Excluding Theft 0001

The following are not insured by this policy:

- a) *damage* or *consequential loss* caused by theft or attempted theft
- b) loss of *money* and physical damage to safes or strongrooms caused by theft or attempted theft
- c) No. 7 of section B – Malicious Attack.

**Intruder Alarm  
Condition 0002**

*Damage* caused by theft or attempted theft is not insured unless:

- a) the Intruder Alarm is installed in accordance with the specification or system record approved by *us* and is put into full and effective operation whenever the salon *premises* are closed for business or left unattended

**Note:**

We will not regard the Intruder Alarm as effective if the specification or system record provides for a telephone line, direct line or central monitoring station warning system and *you* have had notice of the withdrawal of the Police, telephone or central monitoring station service and such service has actually been withdrawn.

- b) the Intruder Alarm is maintained under contract by a company which is either included in the official list of recognised firms of the National Approval Council for Security Systems (NACOSS) or approved by *us*
- c) all keys of the Intruder Alarm are removed from the salon *premises* at night and whenever they are closed for business or left unattended.

**Note:**

Where *you* or one of *your employees* occupy part of the *premises* for residential purposes the keys must be removed from the business part of the *premises*.

# Conditions and exclusions applying to the whole policy other than section C – legal expenses

## General conditions

In the following conditions the word *you* also includes any other person insured under the policy.

- 1** The policy, insurance agreement, schedule and any endorsements should be read as if they are one document.
- 2** *You* will take all reasonable steps to protect the property, prevent accidents and comply with laws, bye laws or regulations and take reasonable care in the selection and supervision of *employees*.
- 3** *You* must tell *us* of any change of circumstances after the start of the insurance which increases the risk of injury or *damage*. *You* will not be insured under the policy until *we* have agreed in writing to accept the increased risk.
- 4** If *you* or anyone acting for *you* makes a claim under this policy knowing the claim to be false, *we* will not pay the claim and all cover under the policy stops.
- 5** If *you* decide *you* do not want to accept the policy, or any subsequent renewal of it, please tell *us* (or *your* insurance intermediary) within 14 days of receiving the policy or renewal notice. *We* may, at *our* discretion, charge *you* for the time *you* have been on cover, including insurance premium tax.
- 6** *We* have the right to cancel this policy or any section, or part of it, by giving 14 days' notice in writing by registered letter to *your* last known address.
- 7** If *we* admit liability for a claim but there is a dispute as to the amount to be paid, the dispute will be referred to an arbitrator, the arbitrator will be appointed jointly by *you* and *us* in accordance with the law at the time. *You* may not take any legal action against *us* over the dispute before the arbitrator has reached a decision.
- 8** If *you* die *we* will insure *your* legal personal representatives for any liability *you* had previously incurred under the policy provided that they keep to the terms of the policy.
- 9** If the policy is subject to a warranty, any breach of that warranty shall be a bar to any claim. Any breach which occurred before the *period of insurance* during which the claim occurred will not be regarded as a bar to a claim occurring in that *Period of Insurance*.
- 10** If *you* pay the premium to *us* using *our* Direct Debit instalment scheme, *we* will have the right (which *we* may choose not to exercise) to renew the policy each year and continue to collect premiums using this method. *We* may vary the terms of the policy (including the premium) at renewal. If *you* decide that *you* do not want *us* to renew the policy, provided *you* tell *us* (or *your* insurance intermediary) before the next renewal date, *we* will not renew it.
- 11** Where *we* refer in the policy to the payment of premiums this shall include payment by monthly instalments. If *you* pay by this method the policy remains an annual contract. The date of payment and the amount of the instalment are governed by the terms of the credit agreement. If an instalment is not received by the due date then, subject to the Consumer Credit Act 1974 (if it applies), the credit agreement and the policy will be cancelled immediately.
- 12** *You* must tell *us* immediately any *building* or part of any *building* becomes unoccupied and pay an additional premium if required. *We* shall have the right to change the terms and conditions of the policy and *you* must action any risk improvement measures that *we* may require.

## Claims conditions

- 1 Upon learning of any circumstances likely to give risk to a claim *you* must:
  - tell *us* as soon as reasonably possible and give *us* all the assistance *we* may reasonably require
  - as soon as is reasonably possible, tell the Police if the *damage* is by theft or attempted theft or by riot or civil labour or political disturbances or vandals or malicious people
  - immediately send to *us* any writ or summons issued against *you*
  - supply, at *your* own expense, full details of the claim in writing including any supporting evidence and information that *we* require within the following periods:
    - i) 7 days for *damage* by riot or civil, labour or political disturbances or vandals or malicious people
    - ii) 30 days after the expiry of the *indemnity period* under section B – Business Interruption
    - iii) 30 days after any other *damage*, interruption or *bodily injury*
  - take action to minimise the *damage* and to avoid interruption or interference with the *business* and to prevent further injury or *damage*.
- 2 We shall have the right to settle a claim by:
  - the payment of money
  - reinstatement or replacement of the property lost or damaged
  - repair of the property lost or damaged.

If we decide upon reinstatement, replacement or repair we shall do so in a reasonable manner but not necessarily to its exact previous condition or appearance.

We shall not spend on any one item, more than its sum insured.
- 3 We have the right to the salvage of any insured property.
- 4 *You* must not admit, deny, negotiate or settle any claim without *our* written consent.
- 5 If at the time of the claim there is any other policy covering the same property or occurrences insured by this policy *we* will be liable only for *our* proportionate share.

If any other such policy has a provision preventing it from contributing in like manner then *our* share of the claim shall be limited to the proportion that the sum insured bears to the value of the property insured.
- 6 We are entitled to:
  - take the benefit of *your* rights against another person before or after *we* have paid a claim
  - take over the defence or settlement of a claim against *you* by another person.
- 7 We have the right to enter the building where the *damage* has happened and to take and keep any of the property insured and to deal with salvage in a reasonable manner.

## General exclusions – applicable to all insurances other than Employers' Liability

The policy does not cover:

**1** *Damage or consequential loss* caused by faulty or defective design materials or workmanship, inherent fault or defect, undiscovered defect, gradual deterioration, wear and tear or frost. This shall not apply to subsequent *damage* resulting from another cause which happens afterwards and is not otherwise excluded.

**2** *Damage or consequential loss* caused by:

- collapse or cracking of buildings
- corrosion, rust, change in temperature, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, loss of any liquid by leakage from its container, contamination, change in colour flavour texture or finish, vermin, insects, marring or scratching.

This shall not apply to such *damage or consequential loss* if it results from a cause which is not otherwise excluded.

**3** *Damage or consequential loss* arising from pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds. This shall not apply to *damage or consequential loss* which results from a cause which is not otherwise excluded or from another cause which happens afterwards and is not otherwise excluded.

**4** *Damage or consequential loss* caused by:

- theft or attempted theft contributed to or caused by any *employee* not involving entry to or exit from the *buildings* by forcible and violent means
- theft or attempted theft of property from an unattended road vehicle unless
  - i) the property is concealed in a glove compartment or locked luggage compartment and
  - ii) all windows and sunroofs are securely closed and doors and other means of access locked and, where the vehicle is left overnight, it is
  - iii) garaged in a securely closed and locked building or parked in a yard which is fully enclosed and securely closed and locked.
- acts of fraud practiced on *you* except as provided under Additional Cover 6 of section B
- disappearance, unexplained or inventory shortage, misfiling or misplacing of information
- mechanical or electrical breakdown and/or derangement of machinery or equipment.

This shall not apply to *damage or consequential loss* which results from a cause which is not otherwise excluded or from another cause which happens afterwards and is not otherwise excluded.

**5** *Damage or consequential loss* caused by:

- subsidence, ground heave or landslide
  - i) caused by the settlement or movement of made up ground or by coastal or riverbank erosion
  - ii) occurring while the *premises* or any part of the *premises* is in the course of erection, demolition, structural alteration or repair.

You must tell us immediately of any building, demolition or excavation operations starting on any adjoining site. In that event we shall have the right to alter or cancel the cover provided by the policy against *damage* caused by subsidence, ground heave or landslide.

- normal settlement or bedding down of structures within two years of their completion or during the contract maintenance period, whichever is the longer
- wind, rain, hail, sleet, snow, flood or dust to moveable property in the open or to fences and gates.

**6** (Not applicable to Additional Cover 10 of section B – Public and Products Liability)

*Damage* to:

- property as a result of its being cleaned, repaired, restored, maintained, altered, cut, prepared or fitted nor any subsequent *consequential loss*
- property or structures in the course of construction or erection and materials or supplies used in connection with all such property nor any subsequent *consequential loss*.

**7** *Damage* or *consequential loss* resulting from the erasure or distortion of information on computer systems or other records:

i) whilst mounted in or on any machine or data processing apparatus

or

ii) due to the presence of a magnetic flux unless caused by *damage* to the machine or apparatus in which the records are mounted.

**8** Any event arising from war, invasion, act of foreign enemy, hostilities (whether war is declared or not) civil war, rebellion, revolution, insurrection, military force or coup.

**9** *Damage* to:

- any property in England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 and not the Channel Islands nor the Isle of Man by fire or explosion or loss resulting from such *damage* arising from TERRORISM except to the extent stated in the SPECIAL PROVISION – TERRORISM
- any property in Northern Ireland or loss resulting from such *damage* arising from:
  - i) riot, civil commotion and (except in respect of damage by fire or explosion) strikers, locked out workers or persons taking part in labour disturbances
  - ii) TERRORISM

TERRORISM means any act of any person acting on behalf of or in connection with any organisation with activities directed towards overthrowing or influencing by force or violence any government which is in power whether by right or otherwise.

If we decide that by reason of this definition *damage* is not insured (or is only insured up to a specified amount) and you dispute our decision you must prove that this exclusion should not apply.

### Special provision – Terrorism

#### Applicable to Sections A and B

Subject otherwise to the terms, definitions, exclusions, provisions and conditions of the policy this insurance includes *damage* to any property in England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 and not the Channel Islands nor the Isle of Man by fire or explosion or loss resulting from such *damage* arising from TERRORISM as defined in General Exclusion 2.

The most we will pay for all such *damage* resulting from *damage* for any one loss occurrence and in the aggregate in any one *Period of Insurance* is:

- a) • in respect of property other than as specified below
- i) for the cover provided under section A – £100,000
  - ii) for the cover provided under section B other than Business Interruption cover under section B – £100,000
  - iii) for Business Interruption cover provided under section B – £100,000
  - iv) for Book Debts cover provided under section B – £100,000
- in respect of Blocks of Flats and/or Private Dwelling Units not insured in the name of a private individual (other than a trustee or a sole trader)
- i) for the cover provided under section A – £2,500,000
  - ii) for the cover provided under section B other than Business Interruption cover under section B – £2,500,000
  - iii) for Business Interruption cover provided under section B – £2,500,000
  - iv) for Book Debts cover provided under section B – £2,500,000

or

- b) any sum insured and/or limit of liability stated in the Policy

whichever is the lower.

For the purpose of this Special Provision if any block of flats is partly occupied for retail or other commercial purposes the limits shall apply as follows:

- where the proportion designated for residential use is at least 80% of its Sum Insured the above limit(s) of £2,500,000 shall apply to the residential portion and additionally the £100,000 limit(s) specified above shall apply to the remainder
- where the proportion designated solely for residential use is less than 80% of its Sum Insured the £100,000 limit(s) specified above shall apply.

Any provision in this policy which provides for any sum insured or limit of liability to be automatically reinstated following a loss shall not apply to losses covered under this Special Provision.

**10** Any expense, *consequential loss*, legal liability, or *damage* to any property directly or indirectly arising from:

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

**11** *Damage* to any electrical plant or appliance caused by its own:

- over-running
- short-circuiting
- excessive pressure
- self-heating.

This exclusion shall not apply where fire spreads to cause *damage* to any other part of the plant or appliance or to other property insured.

**12** The cover provided by sections A & B does not include *damage* or *consequential loss* solely due to change in the water table level.

**13** The policy does not cover:

- i) loss destruction or *damage*
- ii) *consequential loss* additional expenditure or extra expenses
- iii) legal liability
- iv) other fees costs disbursements awards or other expenses

of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- a) the way in which any DATA PROCESSING SYSTEM responds to or deals with or fails to respond to or fails to deal with any true calendar date
- b) any DATA PROCESSING SYSTEM responding to or dealing in any way with:
  - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
  - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such DATA PROCESSING SYSTEM is *your* property or not and whether operating before or after the year 2000

but in respect of all insurances other than Public Liability or Products Liability or Contractors' Joint Indemnity or Legal Expenses this shall not exclude subsequent loss destruction or *damage* or *consequential loss* additional expenditure or extra expenses (not otherwise excluded) which itself results from a DEFINED PERIL otherwise covered by this Policy.

**DEFINITIONS** For the purposes of this Endorsement, the following special meanings shall apply:

"DATA PROCESSING SYSTEM" shall mean any computer or data processing equipment or media or microchip or integrated circuit or any similar device or any computer software or computer firmware.

"DEFINED PERILS" shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, theft or attempted theft, earthquake, subterranean fire, storm, tempest, flood, escape of water from any tank apparatus or pipe, impact by any vehicle or by goods falling therefrom or animal.

Subject otherwise to the terms conditions and limitations of the policy.

# Our complaints procedure

We value the opportunity to investigate any concerns *you* may have about any aspect of *our* service and are committed to handling all complaints fairly, thoroughly and promptly.

## Who to contact in the first instance

Many concerns can be resolved straight away therefore in the first instance please get in touch with *your* usual contact as they will generally be able to provide *you* with an immediate response to *your* satisfaction.

Contact details will be provided on correspondence that *we* or *our* representatives have sent *you*.

If *we* cannot resolve *your* complaint straight away *we* will aim to resolve *your* concerns as soon as possible and *we* will keep *you* informed of progress while *our* enquiries are continuing.

The majority of complaints *we* receive are resolved within four weeks of receipt.

## Next steps if *you* are not happy with the response provided

*We* are dedicated to *our* customers and seek to do what is right however sometimes *we* may not be able to reach an agreement with *you*. If this is the case and *you* remain dissatisfied once *you* have received *our* response to *your* complaint *we* will refer *your* complaint to *our* Customer Relations Team for a separate review.

The Customer Relations Team will contact *you* to let *you* know they have received *your* complaint and when their review is complete they will provide *you* with a final response on *our* behalf.

## The Financial Ombudsman Service (FOS)

If *we* are unable to resolve *your* complaint to *your* satisfaction within eight weeks or if *you* remain dissatisfied following receipt of *our* final response letter *you* can ask the FOS to formally review *your* case. *You* must contact the FOS within six months of *our* final response.

The FOS contact details are as follows:

Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London E14 9SR

*You* can telephone on **0845 080 1800** or e-mail **complaint.info@financial-ombudsman.org.uk**

This is a free and impartial service and will not affect *your* legal rights.

The FOS can help with most complaints if *you* are:

- a private individual
- a business with an annual turnover of less than £1,000,000
- a charity with an annual turnover of less than £1,000,000
- a trustee of a trust with a net asset value of less than £1,000,000.

If *you* are unsure whether the FOS will look at *your* complaint please contact them directly for further information.

*You* are entitled to contact the FOS at any stage of *your* complaint.

## The Financial Services Compensation Scheme (FSCS)

*We* are covered by the Financial Services Compensation Scheme (FSCS). *You* may be entitled to compensation should *we* be unable to meet *our* obligations. Further information is available on **www.fscs.org.uk** or *you* may contact the FSCS on **020 7892 7300**.

Following this complaints procedure does not affect *your* legal rights.



**Zurich Insurance plc**

A public limited company incorporated in Ireland. Registration No. 13460.

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UK Branch registered in England and Wales Registration No. BR7985.

UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ.

Authorised by the Irish Financial Regulator and regulated by the Financial Services Authority for the conduct of UK business.



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