

Conditions applying to your policy

The following summary does not contain the full terms and conditions of the contract which can be found in the policy document reference 'relevant wording as per your policy'. The summary does not form part of your contract of insurance.

Where any term of this insured said (in the term itself or by any heading) to be a condition, requires you to do or comply with anything and you have failed to do or comply with that thing and such failure increased the risk of damage, injury or liability, we shall not cover any claim under this insurance for such damage, injury or liability.

Contents

Section 1 - Property Damage

- Automatic Sprinkler and Fire Alarm Installations
- Fire Extinguishing Appliances
- Electrical Inspection
- Flat roofs
- Security Precautions Alarms
- Minimum Physical security Standard
- Storage in Basements /Cellars (Stillage)
- Storage of Flammable Solvents

Section 3 (A) - Money

- Security Precautions
- Money in Transit
- Physical Security

Section 6 - Loss of Licence

- Supply and Notification of changes in circumstance
- Forfeit of licence

Section 7 - Employee Theft

- Special Conditions relating to section

Section 8 - Contractors All Risks

- Cessation of work
- Plant Inspection
- Hiring Out of Plant
- Joint Code of Practice

Section 9 - Employers Liability

- Employers Liability – Personal Protective Equipment (PPE) & Industrial Machinery

Section 9 - Public Liability

- Public Liability – Use of subcontractors

Section 9 - Products Liability

- Products Liability – Maintaining Rights of Recourse

Section 1 - Property Damage

A. Automatic Sprinkler and Fire Alarm Installations

(Applicable if a reduced premium rate is allowed on account of such an installation or if the insurance covers Damage by the accidental escape of water from a sprinkler installation).

You shall:

- 1) take all reasonable steps to:
 - a) prevent frost and other damage to the installations and in so far as it is Your responsibility;
 - b) maintain the installations (including the automatic external alarm signal) in efficient condition;
 - c) maintain ready access to the water supply control facilities.
- 2) maintain throughout the Period of Insurance a contract to provide for the maintenance and half-yearly inspection of the system. Such contract must be with a recognised sprinkler installation engineer.
- 3) in the event that changes repairs or alterations to the installations are proposed notify Us in writing and obtain Our prior agreement in writing.
- 4) allow Us access to the Premises at all reasonable times for the purpose of inspecting the installations.
- 5) carry out the routine tests set out below and remedy promptly any defect revealed by a test. In the event that alterations or repairs become necessary to the automatic sprinkler installation We may at Our option suspend any cover which is granted against Damage by the accidental escape of water from the installation until the alterations or repairs have been carried out and approved by Us.

Notice of any such action will be given by Us in writing.

Routine Tests

- 1) You shall conduct a test every working day (holidays excepted) to ensure that the circuit between the alarm switch and the control unit is in full working order (except where it is continuously monitored or is such that one break of wires will not prevent an alarm signal being transmitted).
- 2) You shall conduct a test once a week to ensure that:
 - a) any connection with the public fire station, central fire alarm depot or public fire brigade control is in full working order (unless Fire Brigade have given a written undertaking to carry out this test);
 - b) any batteries used in the installation are sufficiently charged and in full working order;
 - c) the alarm gong is in working order and that the stop valves controlling the individual water supplies and the installation are fully open;
 - d) the pump(s) can be started both automatically and manually and that any diesel engine driven pump and battery electrolyte level and density are correct.

A record of such weekly tests shall be made in writing and retained by You and must be forwarded to Us upon request.

B. Fire Extinguishing Appliances

You shall maintain all fire extinguishing appliances in efficient working order.

C. Electrical Inspection

You shall ensure that the electrical wiring of the Premises is inspected every 5 years by a certified IEE/NIC/EIC electrical contractor and any defect identified by that inspection is rectified immediately.

A copy of the report must be retained and forwarded to Us upon request.

Section 1 - Property Damage (continued)

D. Flat roofs

You shall ensure that:

- 1) any flat felted roof, or part thereof of the Premises shall be inspected at least once every two years by a qualified builder or property surveyor and any defect identified by that inspection be rectified immediately;
- 2) any guttering is checked for blockages or defects by a competent person at within one month of the inception or renewal of this insurance and at six monthly intervals thereafter and any remedial action required to be implemented immediately;
- 3) a record of all such inspections shall be made in writing and be retained by You and must be forwarded to Us upon request.

E. Security Precautions

(Applicable to any cover granted in respect of Damage by Theft)

You shall ensure that:

In respect of any Intruder Alarm System installed at the Premises:

- 1) The Intruder Alarm System is maintained in full and effective working order under a contract to provide both corrective and preventative maintenance with the installer or such other contractor agreed by Us in writing;
- 2) The Business Premises are not left unattended:
 - a) unless the Intruder Alarm System is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any Alarm Receiving Centre to which the Intruder Alarm System is connected has acknowledged the setting signal;
 - b) if police response to alarm calls has been withdrawn without Our written agreement.
- 3) Where the Intruder Alarm System is required or approved by Us as a condition of cover it is installed in accordance with a specification agreed in writing by Us.
- 4) No alteration to or substitution of:
 - a) any part of the Intruder Alarm System;
 - b) the procedures agreed by You for policy or any other response to any activation of or other warning signal pertaining to the Intruder Alarm System;
 - c) the maintenance contract shall be made without Our written agreement.
- 5) No structural alteration of or changes in layout to the Premises that could affect operation of the Intruder Alarm System shall be made without Our written agreement.
- 6) You shall maintain secrecy of codes for operation of the Intruder Alarm System and shall not leave details of such codes at the Business Premises when the Business Premises are unattended.
- 7) You shall appoint at least two Keyholders and shall record details of the Keyholders with the police and any Alarm Receiving Centre to which the Intruder Alarm System signals.
- 8) Any change of Keyholder details shall be notified immediately to the police and any Alarm Receiving Centre to which the Intruder Alarm System signals.
- 9) In the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication during any period that the system is set a Keyholder shall attend and allow access to the Business Premises without delay.
- 10) In the event that You receive any notification:
 - a) from the police, alarm installer/maintenance contractor or Alarm Receiving Centre that response to alarm signals or line interruptions from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed; or
 - b) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance;
or
 - c) that the Intruder Alarm System cannot be returned to or maintained in full working order.

You shall advise Us as soon as possible and in any event not later than 10am on Our next working day and comply with any subsequent requirements stipulated by Us.

Section 1 - Property Damage (continued)

E. Security Precautions (continued)

Whenever the Business Premises are left unattended:

- 1) All locks, bolts and other protective devices are in full and effective operation; and
- 2) All keys (including those relating to any part of the Intruder Alarm System) are removed from the Business Premises.

Interpretations

Intruder Alarm System includes all lines and equipment used to transmit the signals to and from the Premises.

Keyholder shall mean any person or keyholding company authorised by You who is available at all times when the Intruder Alarm System is set to accept notification of faults or alarm signals or messages relating to the Intruder Alarm System

F. Physical Security Standard

(Applicable to any cover granted in respect of Damage by Theft and shown as operative in the Schedule).

You shall have implemented the following security measures within 8 weeks of commencement of Theft cover.

Doors

In respect of all external doors (including wicket gates) and internal doors leading to other premises or part of premises not occupied by You.

Timber and Steel Doors

To be secured by either:

- 1) A mortice deadlock conforming to BS 3621 together with a compatible boxed striking plate
or
- 2) A close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar or (for doors other than final exit);
- 3) Two key operated security bolts for doors one fitted approximately 300mm from the top of the door and the other approximately 300mm from the bottom.

Aluminium and UPVC Doors

To be secured by a cylinder operated mortice deadlock or deadlocking multi-point locking system.

Roller Shutter Doors

To be secured by either:

- 1) Two cylinder operated shutter locks with one lock fitted at each end of the shutter
or
- 2) Close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar.

Horizontal Sliding or Folding Doors

To be secured by either:

- 1) A hook bolt mortice deadlock
or
- 2) A close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar.

Double Leaf Doors

The final closing leaf to be secured by the appropriate locks as detailed above the first closing leaf to be secured by flush bolts or key operated security bolts top and bottom throwing into the framework and sill.

Continued overleaf

Section 1 - Property Damage (continued)

F. Physical Security Standard (continued)

Outward Opening Doors (applicable to timber and steel doors only)

In addition to the appropriate locks and bolts detailed above each outward opening door to be fitted with hinge bolts top and bottom.

The above requirements do not apply to any door officially designated as a fire exit by the fire authority.

Windows

Each ground floor and basement opening window or skylight and other window or skylight accessible from decks, roofs, balconies, canopies, fire escapes or downpipes to be secured by a key operated lock fitted independently of the existing fastener unless the lock forms part of the original fastener design.

This requirement does not apply to any window or skylight which is either:

- 1) Protected by securely fitted solid steel bars grilles lockable gates expanded metal or weld mesh or
- 2) Officially designated as a fire exit by the fire authority.

Electronic Office Equipment

In respect of each individual item of portable electronic office equipment

Replacement Value over £1,000

To be either:

- 1) permanently and prominently marked with the owner's name (or company logo) and postcode or
- 2) securely anchored to the desk workstation or to the structure of the building by a lock down device.

Replacement Value over £2,500

To be securely anchored to the desk workstation or to the structure of the building by a lock down Device.

Keys to lock down devices must be removed from the Premises or alternatively held in a locked security safe the combination/keys to which must be removed from the Premises whenever the Premises are left unattended.

Portable Power Tools

In respect of portable power tools with a combined replacement value over **£2,500**.

All portable power tools to be kept within either:

- 1) A locked metal security container constructed of welded steel plate of a minimum thickness of 2.5mm or steel frame mounted sheet steel of a minimum thickness of 1.5mm and securely anchored to the floor or structure of the building. The container to be secured by a mortice deadlock conforming to BS 3621 together with a compatible boxed striking plate or a close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar or integral staple;
- or
- 2) Kept within a storeroom having brick or block walls and a steel or steel lined or solid timber door secured by a mortice deadlock conforming to BS 3621 together with a compatible boxed striking plate or a close shackle padlock with a minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar.

Windows of such storeroom must be protected by solid steel bars grilles, lockable gates, expanded metal or weld-mesh.

Keys to containers and storerooms must be removed from the Premises or alternatively held in a locked security safe the combination/keys to which must be removed from the Premises whenever the Premises are left unattended.

Section 1 - Property Damage (continued)

G. Storage in Basements/Cellars (Stillage)

You shall ensure that any General Contents or Stock or Own Computer Equipment kept in a basement /Cellar is racked and kept at least 15cm above the floor of the basement/cellar.

H. Storage of Flammable Solvents

You shall ensure that all flammable solvents are kept in closed tins and are stored in a fire resistant compartment.

Section 3 Subsection A - Money

Security Precautions

1 You shall ensure that:

In respect of any Intruder Alarm System installed at the Premises:

- 1) The Intruder Alarm System is maintained in full and effective working order under a contract to provide both corrective and preventative maintenance with the installer or such other contractor agreed by Us in writing.
- 2) The Business Premises are not left unattended:
 - a) unless the Intruder Alarm System is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any Alarm Receiving Centre to which the Intruder Alarm System is connected has acknowledged the setting signal;
 - b) if police response to alarm calls has been withdrawn without Our written agreement.
- 3) Where the Intruder Alarm System is required or approved by Us as a condition of cover it is installed in accordance with a specification agreed in writing by Us.
- 4) No alteration to or substitution of:
 - a) any part of the Intruder Alarm System;
 - b) the procedures agreed by You for policy or any other response to any activation of or other warning signal pertaining to the Intruder Alarm System;
 - c) the maintenance contract shall be made without Our written agreement.
- 5) No structural alteration of or changes in layout to the Premises that could affect operation of the Intruder Alarm System shall be made without Our written agreement.
- 6) You shall maintain secrecy of codes for operation of the Intruder Alarm System and shall not leave details of such codes at the Business Premises when the Business Premises are unattended.
- 7) You shall appoint at least two Keyholders and shall record details of the Keyholders with the police and any Alarm Receiving Centre to which the Intruder Alarm System signals.
- 8) Any change of Keyholder details shall be notified immediately to the police and any Alarm Receiving Centre to which the Intruder Alarm System signals.
- 9) In the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication during any period that the system is set a Keyholder shall attend and allow access to the Business Premises without delay.
- 10) In the event that You receive any notification:
 - a) from the police alarm installer/maintenance contractor or Alarm Receiving Centre that response to alarm signals or line interruptions from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed; or
 - b) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance; or
 - c) that the Intruder Alarm System cannot be returned to or maintained in full working order

You shall advise Us as soon as possible and in any event not later than 10am on Our next working day and comply with any subsequent requirements stipulated by Us.

Section 3 Subsection A - Money (continued)

Security Precautions (continued)

Whenever the Business Premises are left unattended:

- 1) all locks, bolts and other protective devices are in full and effective operation; and
- 2) all keys (including those relating to any part of the Intruder Alarm System) are removed from the Business Premises.

Interpretations

Intruder Alarm System includes all lines and equipment used to transmit the signals to and from the Premises.

Keyholder shall mean any person or keyholding company authorised by You who is available at all times when the Intruder Alarm System is set to accept notification of faults or alarm signals or messages relating to the Intruder Alarm System.

2 You shall ensure that Money in transit is at all times escorted by:

- A) At least two people in respect of amounts up to £5,000;
- B) At least three people or two people if travelling by motor vehicle in respect of amounts from £5001 to £10,000;

such persons escorting Money transits must be at least 18 years of age

- C) A contracted specialist security carrier in respect of amounts of £10,000 or more.

3 Physical Security Standard

You shall have implemented the following security measures at the Premises within 8 weeks of commencement of cover under this Section.

Doors

In respect of all external doors (including wicket gates) and internal doors leading to other premises or part of premises not occupied by You.

Timber and Steel Doors

To be secured by either:

- 1) A mortice deadlock conforming to BS 3621 together with a compatible boxed striking plate or
or
- 2) A close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar or (for doors other than final exit)
or
- 3) Two key operated security bolts for doors one fitted approximately 300mm from the top of the door and the other approximately 300mm from the bottom .Aluminium and UPVC Doors

Aluminium and UPVC Doors

To be secured by a cylinder operated mortice deadlock or deadlocking multi-point locking system.

Roller Shutter Doors

To be secured by either:

- 1) Two cylinder operated shutter locks with one lock fitted at each end of the shutter or
or
- 2) Close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar.

Horizontal Sliding or Folding Doors

To be secured by either:

- 1) A hook bolt mortice deadlock
or
- 2) A close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar.

Section 3 Subsection A - Money (continued)

Security Precautions (continued)

Double Leaf Doors

The final closing leaf to be secured by the appropriate locks as detailed above the first closing leaf to be secured by flush bolts or key operated security bolts top and bottom throwing into the framework and sill.

Outward Opening Doors (applicable to timber and steel doors only)

In addition to the appropriate locks and bolts detailed above each outward opening door to be fitted with hinge bolts top and bottom. The above requirements do not apply to any door officially designated as a fire exit by the fire authority.

Windows

Each ground floor and basement opening window or skylight and other window or skylight accessible from decks, roofs, balconies, canopies, fire escapes or downpipes to be secured by a key operated lock fitted independently of the existing fastener unless the lock forms part of the original fastener design.

This requirement does not apply to any window or skylight which is either:

- 1) Protected by securely fitted solid steel bars grilles lockable gates expanded metal or weld-mesh;
- Or
- 2) Officially designated as a fire exit by the fire authority.

Section 6 - Loss of Licence

Special Conditions

1) You shall immediately advise Us in writing and supply such additional information and give such assistance as We may reasonably require on becoming aware of any

- a) change in tenancy or management of the Premises.
- b) transfer or proposed transfer of the licence.
- c) complaint about the Premises or the conduct or control of the Business.
- d) proceedings against or the conviction of You or the licence holder of the Premises for any breach of the licensing laws or other matters whereby the character or reputation of the person concerned is affected or called into question with respect to his honesty moral standing or sobriety.
- e) alteration in the purpose for which the Premises are used.
- f) objection to the application for the renewal of the licence or any circumstances which may endanger the renewal of the licence.

2) In the event of the licence being forfeited or the renewal being refused You shall:

- a) give notice to Us within 24 hours of becoming aware of such event stating the grounds upon which the licence was forfeited or renewal refused.
- b) apply if practicable and if required by Us for the grant of a new licence for the same or alternative Premises as may enable You to continue the business in a similar or alternative form.
- c) give all such assistance as We may require for the purpose of an appeal against such forfeiture or refusal to renew

Continued overleaf

Section 7 - Employee Theft

Special Conditions

- 1) Notice shall be given to Us of any alteration in
 - a) the nature of Your business
 - b) the duties and conditions of service of any Employee insured by this section
 - c) any system of check declared to us
- 2) Immediately following the discovery of any act of fraud or dishonesty on the part of any Employee the indemnity by this section shall be at an end so far as regards any further act of fraud or dishonesty committed by that Employee
- 3) Any money of the Employee held by You or any money or assets which but for the act of fraud or dishonesty would have been due to the Employee You shall be deducted from the amount of any claim payable under this section as a result of that act of fraud or dishonesty.
- 4) You shall give all such information and assistance to Us as We may require to enable Us to seek to recover from any Employee whose act of fraud or dishonesty has given rise to a claim under this section. Any such recovery shall be shared by Us and You in such proportion as the amount paid by Us and the amount of the loss borne by You shall bear to the total amount of the loss caused by the act of that Employee
- 5) Notwithstanding any provision in this policy for automatic reinstatement after a loss any sums payable by Us under this section in any one Period of Insurance shall reduce Our Limit of Liability. In this event of such a Limit of liability being reduced by reason of this Special Condition such limit may be reinstated upon payment by You of an appropriate additional premium provided that the amount by which such limit is reinstated shall be available solely in respect of acts of fraud or dishonesty committed after such reinstatement.

Section 8 - Contractors' All Risks Section

The following Conditions apply to this Section and should be read in conjunction with the General Conditions applying to the whole Policy.

Cessation of Work

In the event of stoppage of work by You on the Contract site from any cause for a period of 90 consecutive days, cover in respect of the Contract Works shall be suspended unless its continuance be agreed in writing by Us. In the event of such total or partial cessation of work

You shall use due diligence and do all things reasonably practicable to protect the Insured Property.

Plant inspection

You shall ensure that all plant and equipment requiring inspection under any Statute Order or regulations is so inspected.

Access

You shall give to Us and every person authorised by Us, access to the Insured Property at all reasonable times.

Section 8 - Contractors' All Risks Section (continued)

Hiring out

Under Construction plant, tools and equipment and Hired-in property in the case of plant hired out by You, the conditions of such hiring's shall be no less onerous than the standard conditions of The Construction Plant-Hire Association unless agreed by Us.

Joint code of practice

You undertake to comply with the Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings Undergoing Renovation dated June 1997 or any subsequent amendment thereto or revised edition thereof current at inception or subsequent renewal of the Policy hereinafter referred to as The Joint Code.

This Condition shall apply to the Contract provided that the Estimated Original Contract Value is £1,000,000 or more and for the purpose of Paragraph 63 of The Joint Code, if the Estimated Original Contract Value exceeds £1,000,000 it shall be deemed to be a large project.

Our appointed representative shall have the right at all reasonable times to enter and inspect the Contract site for the purpose of checking whether the conditions thereon in all respects comply with The Joint Code.

In the event that We become aware of a breach of The Joint Code We may inform the main/management contractor's construction site management of the nature of the breach specifying the remedial measures required by Us, the remedial measures and the period within which these must be completed.

Where We consider such a breach is of sufficient importance, We may confirm the same by notice in writing to the Employer and the main/management contractor and the first named party forming the insured in the Schedule when this is not the Employer or main/management contractor at their respective addresses nominated by You at the inception of cover or as subsequently amended.

Under the terms of this or any subsequent notice, We may suspend or cancel all cover under the Policy from the date named in the notice, not being a date earlier than the date named for completion of the remedial measures, it being understood that upon suspension such cover shall be reinstated when We are satisfied that the remedial measures have been completed.

Such notice shall be given by registered post, recorded delivery, facsimile transmission or by hand.

The reference to suspension or cancellation of all cover shall apply only to the Contract specified in the notice.

This clause shall not in itself be considered a condition precedent to liability but its inclusion shall not prejudice, waive or remove Our rights under the terms of other Policy exceptions and conditions.

This clause does not apply to any Public Liability, Employers' Liability or JCT 21:2:1 insurance if provided by this Policy.

Section 9 – Employers Liability

You must ensure that the use or wearing of personal protective equipment by any employee (as required by the Personal Protective Equipment at Work Regulations 1992 as amended) is enforced and that a formal record is maintained of personal protective equipment supplied to an received by employees.

If you or your employees use industrial machinery you must:

- a) Ensure that your industrial machinery is guarded in accordance with current government regulations, health and safety legislation or industry recommendations as may be applicable
- b) Before they use the machinery, provide users of your industrial machinery with a written procedure for the safe operation of the machinery which, if applicable, must include the procedure for the clearance of blockages or obstructions.
- c) Ensure that the use of machinery is undertaken in accordance with the written procedure
- d) Ensure that any new user of the machinery is trained and supervised by an experienced operative until they are able to operate such machinery in accordance with the written procedure.

Section 9 – Employers Liability (continued)

In addition to the above standard conditions sometimes we will apply limitations or conditions specific to the type of work you do. For example, if you undertake work away from your premises the policy may contain limitations or requirements concerning:

- work undertaken at certain 'high risk' locations,
- the use of sub-contractors who are not employees,
- Work at height

You will be advised of any such limitations and conditions when we provide a quotation, new business or renewal terms. Please ensure that you are familiar with the requirements made by any such conditions by referring to the relevant endorsement on your quote document or policy schedule.

Section 9 – Public Liability

You must not agree to cover the liabilities of, nor waive your rights of recourse against, a sub-contractor who is not an Employee

In addition to the above standard conditions sometimes we will apply limitations or conditions specific to the type of work you do. For example, if you undertake work away from your premises the policy may contain limitations or requirements concerning:

- work undertaken at certain 'high risk' locations,
- the use of sub-contractors who are not employees,
- using heat away from your premises,
- making excavations
- disposing of waste

You will be advised of any such limitations and conditions when we provide a quotation, new business or renewal terms. Please ensure that you are familiar with the requirements made by any such conditions by referring to the relevant endorsement on your quote document or policy schedule.

Section 9 – Products Liability

You must maintain your full rights of recourse against any manufacturer or supplier from whom you obtain any product or anything which is incorporated into any product

In addition to the above standard conditions sometimes we will apply limitations or conditions specific to the type of work you do. For example, if you undertake work away from your premises the policy may contain limitations or requirements concerning:

- work undertaken at certain 'high risk' locations,
- the use of sub-contractors who are not employees,
- using heat away from your premises,
- making excavations,
- disposing of waste.

You will be advised of any such limitations and conditions when we provide a quotation, new business or renewal terms. Please ensure that you are familiar with the requirements made by any such conditions by referring to the relevant endorsement on your quote document or policy schedule.