



Art dealers – AD21
Policy wording

Guide to sections	Introduction	3
	Complaints procedure	3
	Definitions	4
	General conditions	5
	General exclusions	6
	What to do when a loss occurs	7
	Section A – property	8
	Definitions	8
	Part 1 – stock and contents	9
	Conditions	10
	Part 2 – buildings	11
	Section B – business interruption	12
	Definitions	12
	Section C – your liabilities	13
	Definitions	13
	Part 1 – public and products liability	13
	Part 2 – employers' liability	14
	Part 3 – professional indemnity	15
	Section D – defective title	16
	Conditions	17
	Risk details	18

Introduction

We intend the language and layout of this **policy** to be clear because **we** want **you** to understand the cover **we** provide and **your** obligations. Many of the words and phrases **we** use have a special meaning in this **policy**. If a word or phrase is in **bold** type, please refer to the definitions sections.

It is important that **you** read this **policy** document, together with any **endorsements** and the **risk details**, very carefully. If anything is not correct, please call **your** insurance agent as soon as possible.

We will provide this insurance in return for the premium **you** have paid.

Complaints procedure

We pride ourselves on providing a first class, reliable and efficient service to all of **our** customers. Complaints are a key to monitoring **our** service and wherever possible, **we** seek to take action to prevent recurrence of a problem.

If **you** wish to make a complaint, **you** can do so at any time by referring the matter to **us** or the complaints team at Lloyd's.

Our contact details are:

Hiscox Customer Relations
The Hiscox Building
Peasholme Green
York YO1 7PR
United Kingdom

Telephone: +44 (0)800 116 4627 (calls to this number within the United Kingdom are free on mobile phones and landlines); or +44 (0)1904 681 198
Email: customer.relations@hiscox.com.

The address of the complaints team at Lloyd's is:

Complaints
Lloyd's
One Lime Street
London EC3M 7HA
United Kingdom

Telephone: 020 7327 5693
Fax: 020 7327 5225
Email: complaints@lloyds.com
Website: www.lloyds.com/complaints

Details of Lloyd's complaints procedures are set out in a leaflet 'Your Complaint – How We Can Help' available at www.lloyds.com/complaints and are also available from the above address.

If **you** are not satisfied with the way **your** complaint has been dealt with, **you** may ask the Financial Ombudsman Service to review **your** case without affecting **your** legal rights. The address is:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR
United Kingdom

Telephone: 0800 023 4567 (calls to this number within the United Kingdom are free on mobile phones and landlines)

0300 123 9123 (calls to this number within the United Kingdom cost no more than 01 and 02 numbers)

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

The Financial Ombudsman Service is an independent service in the United Kingdom for settling disputes between consumers and businesses providing financial services. **You** can find more information on the Financial Ombudsman Service at www.financial-ombudsman.org.uk.

In any communication, please quote the **policy** number shown in the **risk details**.

Definitions	Words shown in bold type have the same meaning throughout this policy and are defined below. Any changes to these definitions, and any extra definitions, are shown in the section to which they apply.
Amount insured	The most we will pay as shown in the risk details .
Business	Your business activities as a fine art dealer.
Computer system	Any programs, computer network, hardware, software, internet-connected device, network-connected device, information technology or communications system, including any email system, intranet, extranet or website.
Cost price	The amount you paid for an item of stock plus any amount you have spent to bring it to a saleable condition as shown in your stock records .
Cyber attack	Any digital attack designed to disrupt access to or the operation of a computer system , including but not limited to any ransomware; virus ; crypto-jacking; or denial of service attack or distributed denial of service attack.
Endorsement	A change to the terms of the policy agreed by us in writing.
Excess	The amount for which you are responsible as the first part of each agreed claim.
Hacker	Anyone who gains unauthorised access to your computer system or data held electronically by you or on your behalf.
Named location	The location(s) shown in the risk details or as declared to and agreed by us .
Period of insurance	The time for which this policy is in force as shown in the risk details .
Policy	This insurance document and the risk details , including any endorsements .
Program	A set of instructions written in a computer language which tells a computer how to process data or interact with ancillary equipment.
Risk details	The document showing your name, your address and your insurance details that we sent you when we accepted this insurance or following any subsequent amendment to your cover, whichever is the more recent.
Selling price	The selling price shown in your stock records .
Social engineering communication	Any request by a person improperly seeking to obtain possession or the transfer to a third-party of money, securities or property that such person or third-party is not entitled to.
Stock	Owned stock, consigned goods and items sold but under your care, custody and control, shown in your stock records .
Stock records	A physical and/or digital record no more than one month old showing all items of stock with date of purchase, cost price and selling price .
Terrorism	An act, including but not limited to the use of force or violence and/or the threat of force or violence, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.
Virus	Programs that are secretly introduced without your permission or knowledge including, but not limited to, malware, worms, Trojans, rootkits, spyware, dishonest adware, crimeware and other malicious unwanted software.
Unintentional computer error	Any error or omission in a computer system that was not caused intentionally or deliberately by anyone.
United Kingdom	England, Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands.

We/us/our

The insurers who have a share in this insurance as shown in the security details.

You/your

The person, firm or company named in the **risk details** as the insured.

General conditions

The following conditions apply to the whole of this **policy**. Any extra conditions are shown in the sections to which they apply.

Presentation of the risk

In agreeing to insure **you** and in setting the terms and premium, **we** have relied on the information **you** have given **us**. **You** must provide a fair presentation of the risk and must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete. A fair presentation is one which clearly discloses in a reasonably clear and accessible manner all material facts which **you** (including **your** senior management and those responsible for arranging this insurance) know or ought to know following a reasonable search.

If you fail to make a fair presentation

1. If **we** establish that **you** deliberately or recklessly failed to present the risk to **us** fairly, **we** may treat this **policy** as if it never existed and refuse to make any payment under it. **You** must reimburse all payments already made by **us** and **we** will be entitled to retain all premiums paid.
2. If **we** establish that **you** failed to present the risk to **us** fairly but that **your** failure was not deliberate or reckless, the remedy **we** will have available to **us** will depend upon what **we** would have done had **you** made a fair presentation of the risk, as follows:
 - a. if **we** would not have provided this **policy**, **we** may treat it as if it never existed and refuse to make any payment under it. **You** must reimburse all payments already made by **us**. **We** will refund any premiums **you** have paid; or
 - b. if **we** would have provided this **policy** on different terms (other than as to premium), **we** will treat it as if it had been provided on such different terms from the start of the **period of insurance**. This may result in **us** making no payment for a particular claim or loss. **You** must reimburse any payment made by **us** that **we** would not have paid if such terms had been in effect.

Change in circumstance

You must tell **us** about any change in circumstances which occurs during the **period of insurance** which may affect this insurance (a material fact or circumstance is one which might affect **our** decision to provide insurance or the conditions of that insurance). **We** may then amend the terms of this **policy**. If **you** are in any doubt, **you** should speak to **us** or **your** insurance agent.

When **we** are notified of a change **we** will tell **you** if this affects **your policy**. For example **we** may cancel **your policy** in accordance with the cancellation condition, amend the terms of **your policy** or require **you** to pay more for **your** insurance.

If you fail to notify us of a change of circumstances

1. If **we** establish that **you** deliberately or recklessly failed to:
 - a. notify **us** of a change of circumstances which may materially affect the **policy**; or
 - b. comply with the obligation to provide a fair presentation of the risk to **us**, as described above, when providing **us** with information in relation to a change of circumstances;

We may treat this **policy** as if it no longer existed from the date of such change of circumstances and refuse to make any payment under it in respect of any claim made or any loss occurring after that date. **You** must reimburse all payments already made by **us** relating to claims made or losses occurring after such date.

We will be entitled to retain all premiums paid.

2. If **we** establish that **you** failed to notify **us** of a change of circumstances or to make a fair presentation of the risk to **us** when providing **us** with information in relation to a change of circumstances, but that **your** failure was not deliberate or reckless, the remedy **we** will have available to **us** will depend upon what **we** would have done had **you** fairly presented the change of circumstances to **us**, as follows:
 - a. if **we** would have cancelled this **policy**, **we** may treat it as cancelled from the date that such cancellation would have been effective and refuse to make any payment under it in respect of any claim made or any incident occurring after that date. **You** must reimburse any payments already made by **us** relating to claims made or losses occurring after such date. **We** will refund any premiums **you** have paid in respect of any period after the date when cancellation would have been effective; or

- b. if **we** would have provided this **policy** on different terms (other than as to premium), **we** will treat it as if it had been provided on such different terms from the date when **your** circumstances changed. This may result in **us** making no payment for a particular claim or loss.

Premium payment	We will not make any payment under this policy unless you have paid the premium.
Reasonable care	You must take reasonable steps: 1. to protect the property insured under this policy and to keep it in good condition and repair; 2. to prevent accident or injury. We will not make any payment under this policy in respect of any incident occurring whilst you are not in compliance with this condition unless you can demonstrate that such non-compliance could not have increased the risk of the loss, damage, accident or injury occurring in the circumstances in which it occurred.
Cancellation	You may cancel this policy by writing to us: 1. within 14 days from the start of this insurance or the date of receipt of your policy, whichever the later, and receive a full premium refund if you have not made a claim; or 2. at any time after the first 14 days from the start of this insurance or receipt of your policy, whichever the later and we will return any premium you have paid for any period of insurance left provided you have not made a claim. We may cancel this policy by sending you 30 days' notice by recorded post to your correspondence address shown in the risk details. We will only do this for a valid reason. We will return any premium you have paid for any period of insurance left.
Third parties	You and we are the only parties to this policy . Nothing in this policy is intended to give any person any right to enforce any term of this policy which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.
Multiple insureds	The most we will pay is the relevant amount insured. If there is more than one of you, the total amount we will pay will not exceed the amount we would be liable to pay to any one of you. You agree that the insured named in the risk details, or if there is more than one insured named in the risk details the first of them, is authorised to receive all notices and agree any amendments to the policy.
Governing law and jurisdiction	Unless some other law is agreed in writing, this policy is governed by English law. If there is a dispute, it will only be dealt with in the courts of England or Wales.
Contract works	You must inform us of any planned or ongoing building works with an estimated contract value greater than GBP 25,000 during the period of insurance . We reserve the right to amend the terms of this insurance following such notice. If you do not inform us of any applicable works, we will not have to pay any claim caused by or resulting from the building works.

General exclusions

The following exclusions apply to all sections of this **policy** other than Section C Part 2 - Employers' liability. Any extra exclusions are shown in the sections to which they apply.

This insurance does not cover the following:

1. loss or damage caused by or arising directly or indirectly from civil commotion in Northern Ireland.
2. loss, damage or liability directly or indirectly caused by or resulting from:
 - a. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power unless whilst the insured items are being transported by air or by sea;
 - b. **terrorism**;
 - c. **your** property being confiscated or taken, or deliberately damaged or destroyed by or under the order of any government or public or local authority;

- d. ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - e. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - f. any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter;
 - g. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter;
 - h. any chemical, biological, bio-chemical, or electromagnetic weapon;
 - i. any communicable, infectious or contagious disease or fear or threat of such disease, including any related variation, strain, virus, complex or syndrome.
3. liability arising directly or indirectly from:
 - a. the processing, manufacturing, use, testing, ownership, sale or removal of asbestos, asbestos fibres or material containing asbestos;
 - b. exposure to asbestos, asbestos fibres or material containing asbestos or the fear of such exposure;
 - c. the provision of instructions, recommendations, notices, warnings, supervision or advice given, or which should have been given, in connection with asbestos, asbestos fibres or structures or material containing asbestos.
 4. any claim where **you** would be entitled to be paid under any other insurance if this **policy** did not exist, except for any amount above the amount that would be covered under the other insurance.

What to do when a loss occurs

The following claims conditions apply to the whole of this **policy**. **You** should refer to the relevant cover section for details of how **your** claim will be settled.

You must comply with the obligations set out in the following claims conditions. If **you** fail to do so, **you** shall be liable to **us** for an amount equal to the detriment **we** have suffered as a result of **your** failure to comply with this obligation, which **we** may deduct from any payment **we** make under this **policy**.

How to make a claim

1. **You** must tell **us** or **your** insurance agent as soon as possible about any incident which **you** may need to claim for under this **policy**. This includes any claim or threatened claim against **you**.

If **you** think a crime has been committed, **you** must also tell the police and obtain a crime reference number from them.
2. **You** must give **us** any information **we** reasonably require and cooperate fully in the investigation of any claim under this **policy**.
3. **You** must make every reasonable effort to minimise any loss, damage or liability and take appropriate emergency measures immediately if they are required to reduce any claim.

Proof of loss

You must prove the loss or damage has happened.

Temporary emergency repairs

If temporary repairs are needed urgently to prevent further damage, **you** should arrange for them to be done immediately. Keep the bills because they may form part of **your** claim.

Before any other repair work begins **we** have the right to inspect the damaged property. **We** will tell **you** if **we** want to do this.

Injury to someone or damage to their property

If someone is holding **you** responsible for an injury or for damage or threatening to bring proceedings against **you**, **you** must tell **us** as soon as possible. **You** must also send **us** as soon as possible every letter of claim, claim form or correspondence **you** receive.

Shortcoming in your work

You must tell **us** of the following as soon as possible during the **period of insurance** or at the latest within seven days after this **policy** expires:

1. **your** first awareness of any shortcoming in **your** work that is likely to lead to a claim against **you**. This includes any criticism of **your** work even though regarded by **you** as unjustifiable. If **we** accept **your** notification **we** will regard any subsequent claim as notified to this **policy**.
2. any claim or threatened claim against **you**.
3. **your** discovery, or the existence of reasonable grounds for **your** suspicion, that any partner, director, employee or self-employed freelancer has acted dishonestly.

Admission of liability

You must not admit responsibility or make an offer or promise of payment without **our** prior written consent.

Recovering a payment

We may pursue, in **your** name but at **our** expense, recovery of amounts **we** may become liable to pay under this **policy**. **You** must give **us** all the assistance **we** may reasonably require to do this.

False claims

If **you** or anyone entitled to cover in respect of any claim or loss, or anyone on behalf of **you** or such other person, tries to deceive **us** by deliberately giving **us** false information or making a fraudulent claim under this **policy** then:

1. **we** shall be entitled to give **you** notice of termination of the **policy** with effect from the date of any fraudulent act or claim or the provision of such false information;
2. **we** shall be entitled to refuse to make any payment under the **policy** in respect of any claim made or any loss occurring after the date of any fraudulent act or claim or the provision of such false information;
3. **you** must reimburse all payments already made by **us** relating to claims made or losses occurring after the date of any fraudulent act or claim or the provision of such false information; and
4. **we** shall be entitled to retain all premiums paid.

This does not affect **your** rights in relation to any claim made or loss occurring before the date of any fraudulent act or claim or the provision of such false information.

Confidentiality

You must not reveal the amount of cover available under this **policy** unless **you** had to give these details in negotiating a contract with **your** client or have **our** prior written agreement.

Section A – property

Please read **your risk details** to see which parts of this section are in force.

The general terms, including general conditions, general exclusions and claims conditions and the extra definitions, conditions and exclusions shown below all apply to this section.

Definitions

Buildings

The premises, including outbuildings and annexes, shown in the **risk details**, which belong to **you** or for which **you** are legally responsible, including:

1. landlord's fixtures and fittings, fixed fuel tanks;
2. walls, gates and fences, car parks, yards, private roads, pavements and paths, at the premises;
3. pipes, ducting, cables, wires and associated control equipment at the premises and up to the public mains.

We do not include within **buildings** land or water.

Contents

The contents of **your** office, including fixtures and fittings, used in connection with the **business** which belong to **you** or for which **you** are legally responsible.

We do not include within **contents**:

1. electronic data;
2. any part of the **buildings**;
3. **money** or **stock**.

Fees and extra expenses

The reasonable and necessary fees and extra expenses involved in rebuilding or repairing the **buildings** following physical loss or physical damage. This means:

1. fees to architects, surveyors and consulting engineers;
2. the cost of clearing the site and making the **buildings** safe;
3. the cost of doing anything required by any government or local authority, but only if:
 - a. **you** received notice of the requirement after the damage happened; and
 - b. the **buildings** were originally built according to any government and local authority regulations in force at that time.

Money

Cash, cheques, postal orders, bank drafts or other negotiable documents all belonging to **you**.

Part 1 – stock and contents

What is covered

We will insure **your stock, contents and money** against physical loss or physical damage occurring during the **period of insurance** while at the **named location**.

How much will we pay

We will decide whether to repair, restore or replace the lost or damaged item or to make a cash settlement.

In the event of partial loss or damage to any item of **stock** the amount payable will be the cost and expense of restoration plus any resulting depreciation in value, calculated as a percentage of, but not exceeding, the value of that item, as set out in the basis of valuation.

We will not pay for the cost of preparing a claim.

If **we** pay the full **amount insured** for any item, pair or set **we** will then have the right to take possession of it.

The most **we** will pay in total is the **amount insured**.

Basis of valuation

The basis of valuation for settlement will be:

1. for unsold **stock** belonging to **you**, either the **cost price** plus the uplift specified in the **risk details** or the **selling price** less the discount specified in the **risk details**, whichever is stated. In the event that nothing is specified in the **risk details**, the basis of valuation will be the **cost price**;
2. for **stock** sold but not delivered to the purchasers, the **selling price**;
3. for **stock** bought on behalf of **your** client(s), the **cost price** plus any fee or commission pre-agreed and made in writing;
4. for **stock** in **your** care, custody or control which belongs to third parties, the value agreed and made in writing with the third party prior to the loss;
5. for **contents** other than paper and computer records, the lesser of the replacement cost after an allowance for depreciation or the cost of repair;
6. for paper and computer records, the value of paper as stationery and the cost of replacement software. **We** will not pay the cost of reinstating data.

If any item of **stock** which has an increased value because it forms part of a pair or set is lost or damaged, any payment **we** make will take account of the increased value. **You** may decide if **we** pay the value of the entire pair or set. The most **we** will pay is the value of that pair or set.

What is not covered

The following extra exclusions apply to this section.

We do not cover the following:

1. loss or damage caused by or resulting from:
 - a. wear and tear, gradual deterioration, inherent vice, latent defect, rust or oxidation, moth, insects or vermin, warping or shrinkage, rot, fungus, mould or infestation;
 - b. aridity, humidity, exposure to light or extremes of temperature whether naturally occurring or not. This exclusion does not apply to loss or damage directly resulting from or caused by storm, frost or fire;
 - c. repairing, framing, restoring, retouching, refabricating or any similar process;
 - d. theft or dishonesty committed by or in collusion with any principal, shareholder (beneficial or otherwise), partner, director or other officer or any employee of **yours**, or any person to whom **your stock, contents** or **money** is entrusted or loaned unless in the custody of a competent professional transporter or commercial storage operator;
 - e. **social engineering communication**;
 - f. **unintentional computer error**;
 - g. a **cyber attack** or **hacker**. However, this exclusion shall not apply if **you** are able to demonstrate to **our** reasonable satisfaction that the motive to inflict harm by such **cyber attack** or **hacker** is solely on or upon **you** or **your** property.
2. mysterious disappearance, unexplained loss, or loss or shortage discovered while taking inventory.
3. loss of or damage to **stock** unless it is entered in **your stock records**.
4. mechanical or electrical faults or breakdown of an item forming part of **your stock** or **contents**.
5. loss of or damage to **your stock, contents** or **money** in or on unattended vehicles unless in the custody of a third-party competent professional transporter.
6. loss of or damage to any electronic, online or crypto currency, including Bitcoin, even where such currency exists in physical form.
7. any indirect losses which result from the incident which caused **you** to claim.
8. loss or damage at any trade fair, unless the trade fair was specifically notified to and agreed by **us** in advance.
9. the amount of the **excess** stated in the **risk details** for each and every loss.
10. loss or damage to insured property while being stored for more than 30 days at any commercial storage location unless it was specifically notified to and agreed by **us** in advance.

Conditions

You must comply with the obligations set out in the following additional conditions. **We** will not make any payment under this **policy** in respect of any incident occurring while **you** are not in compliance with these conditions unless **you** can demonstrate that such non-compliance could not have increased the risk of loss or damage occurring in the circumstances in which it occurred.

Keys

You must ensure, when the **named location** is left unattended, that all keys to safes, showcases, strong rooms, final exit doors and alarms are either:

1. removed from the **named location**; or
2. kept in a locked safe with the keys to the safe removed from the **named location**.

Protections

You must ensure that all physical protections notified to **us** at the location(s) listed in the **risk details** are engaged whenever such location(s) are left unattended.

You must ensure that all fire alarm and security systems notified to **us** at the location(s) listed in the **risk details** are activated whenever such location(s) are left unattended. **You** must also advise **us** as soon as reasonably possible if for any reason a system is not working properly. **We** may then vary the terms and conditions of this insurance. All systems must be regularly serviced under contract by a reputable company at least annually.

Transits

You must ensure that **your stock** and **contents** are packed and unpacked for transit by competent professional packers and transported by a competent professional transporter.

Stillage

You must ensure that all items in any basement or cellar are placed on shelves or pallets at least 30cm above the floor.

Part 2 – buildings

What is covered

We will insure the **buildings** against physical loss or physical damage occurring during the **period of insurance**.

How much we will pay

We will pay the cost of rebuilding or repairing the damaged **building**, including **fees and extra expenses**. However, the most **we** will pay in total is the **amount insured** for **buildings**.

We will not pay for the cost of preparing the claim.

You may rebuild or replace a **building** which is totally destroyed in any manner suitable to **your** requirements and/or on another site provided this does not increase **our** liability.

If, at the time of damage, the **amount insured** is less than 85% of the total rebuilding cost of the **buildings** including an allowance for **fees and expenses**, the amount **we** pay will be reduced in the same proportion as the under insurance.

What is not covered

The following extra exclusions apply to this section.

We do not cover the following:

1. loss or damage caused by or resulting from:
 - a. wear and tear, gradual deterioration, inherent vice, latent defect, rust or oxidation, moth, insects or vermin, normal settlement, warping or shrinkage, rot, fungus, mould or infestation;
 - b. demolition, alteration, extension, cleaning, repair, renovation, restoration, or any similar work except as may be specifically provided by this insurance, misuse, faulty workmanship or the use of faulty materials;
 - c. wind, wind driven rain or flood to gates, hedges or fences;
 - d. subsidence, ground heave or landslip:
 - i. to walls, gates and fences, car parks, yards, private roads, pavements and paths unless the main **building** is physically damaged at the same time;
 - ii. to solid floors unless the load-bearing walls are physically damaged at the same time;
 - iii. caused by coastal or river erosion.
 - e. pollution or contamination;
 - f. **social engineering communication**;
 - g. **unintentional computer error**;
 - h. a **cyber attack** or **hacker**. However, this exclusion shall not apply if **you** are able to demonstrate to **our** reasonable satisfaction that the motive to inflict harm by such **cyber attack** or **hacker** is solely on or upon **you** or **your** property.
2. the cost of maintenance or routine redecoration.
3. mechanical or electrical faults or breakdown to the insured property.
4. the amount of the **excess** stated in the **risk details** for each and every loss.

Section B – business interruption

Please read **your risk details** to see if this section is in force.

The general terms, including general conditions, general exclusions and claims conditions and the extra definitions, and conditions shown below all apply to this section.

Definitions

Income

The income from **your business** in respect of the following activities which are carried out from the location(s) listed in the **risk details**:

1. the commission **you** earn on sales of **stock** belonging to third parties;
2. the proceeds of sale **you** receive for **stock** that **you** own, less the costs **you** incurred in respect of such **stock**;
3. other professional fees **you** earn in the ordinary course of **your business**.

Indemnity period

The period beginning on the date of the insured damage, or the date the restriction is imposed, and lasting for the period during which **your income** is affected as a result of such insured damage or restriction, but no longer than the number of months shown in the **risk details**.

What is covered

We will pay for **your** loss of **income** and additional expenses resulting solely from an interruption to **your business** caused by:

1. physical loss or physical damage to the location(s) listed in the **risk details** which is, or would have been, covered under Section A, Part 2 of this insurance.
2. **your** inability to use the location(s) listed in the **risk details** due to restrictions imposed by a public authority following:
 - a. a murder or suicide;
 - b. injury or illness of any person traceable to food or drink consumed at the location(s) listed in the **risk details**;
 - c. vermin or pests discovered at the location(s) listed in the **risk details**.

How much we will pay

We will pay up to the **amount insured** for each of the following items, including the reasonable charges **you** pay to **your** professional accountant for producing information **we** require.

The amount **we** pay for each item will be calculated as follows:

1. Loss of income

The difference between **your** actual **income** at the location(s) listed in the **risk details** during the **indemnity period** and the **income** it is estimated **you** would have earned during that period or, if this is **your** first trading year, the difference between **your income** during the **indemnity period** and during the period immediately prior to the loss, less any savings resulting from the reduced costs and expenses during the **indemnity period**.

When adjusting **your** claim account shall be taken of any variations in **your business** before and after a loss insured under this **policy** and an allowance will be made for all extraordinary circumstances of the **business** including but not limited to fluctuations in market conditions.

We shall also take account of any payment already made under Section A for loss or damage to **your stock**.

2. Additional expenses

The necessary and reasonable additional costs and expenses **you** incur in order to continue **your business** during the **indemnity period**, less any savings resulting from the reduced costs and expenses during the **indemnity period**.

Section C – your liabilities

Please read **your risk details** to see which parts of this section are in force.

The general terms, including general conditions, general exclusions and claims conditions and the extra definitions, conditions and exclusions shown below all apply to this section.

Definitions

Bodily injury	Death, or any bodily or mental injury or disease of any person.
Defence costs	Costs incurred with our prior written agreement to investigate, settle or defend a claim against you .
Employee	Any person normally resident in the United Kingdom working for you in connection with your business who is: - employed by you under a contract of service or apprenticeship; - hired to or borrowed by you; - self-employed and working on a labour-only basis under your control or supervision; - engaged under a work experience or training scheme; - a voluntary helper.
Products	Any goods sold, supplied, distributed, manufactured, constructed, installed, altered, tested, serviced, maintained, repaired, cleaned or treated by you in your business .
Property damage	Physical loss of or physical damage to or destruction of tangible property including the resulting loss of use of such property. Tangible property does not include land, water or the atmosphere.

Part 1 – public and products liability

What is covered	We will indemnify you for any claim for damages which you may legally have to pay if, as a result of your business, any party brings a claim against you for: bodily injury or property damage occurring during the period of insurance; - denial of access committed during the period of insurance. This section includes a claim against any employee of yours when they are acting on your behalf. The amount we pay will include defence costs. However, we will not pay costs for any part of a claim not covered by this section.
------------------------	---

What is not covered	The following extra exclusions apply to this section. A. We will not make any payment for any claim directly or indirectly due to: - loss of or damage to any property belonging to you or which at the time of the loss or damage is in your care, custody or control. This does not apply to: - employees or visitors' vehicles or effects while on your premises; - premises, including their contents, which are not owned or rented by you, where you are temporarily carrying out your business. - the ownership, possession, maintenance or use by you or on your behalf of any mechanically-propelled vehicles and their trailers. bodily injury to any employee arising out of and in the course of their employment under a contract of service or apprenticeship with you. - any pollution or contamination of water or land or the atmosphere; or - any bodily injury or property damage directly or indirectly caused by pollution or contamination;
----------------------------	---

- unless caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the **period of insurance**;
- c. any pollution or contamination in the United States of America or Canada.
5. any **cyber attack, hacker, unintentional computer error or social engineering communication**.
 6. designs, plans, specifications, formulae, directions or advice prepared or given by **you**.
 7. the costs of recalling, removing, repairing, reconditioning or replacing any **product** or any of its parts.
 8. any act, breach or omission **you** deliberately or recklessly commit, condone or ignore.
 9. **your** liability under any contract which is greater than the liability **you** would have at law without the contract.
- A. **We** will not make any payment for:
1. that part of a **claim** where **your** right of recovery is restricted by any contract;
 2. fines and contractual penalties, aggravated, punitive or exemplary damages;
 3. any **claim**, including arbitration, brought outside the **United Kingdom**. This exclusion also applies to proceedings to enforce a judgment or award from outside of the **United Kingdom**.

How much we will pay

We will pay up to the **amount insured** for each actual or threatened claim, unless limited below. The **amount insured** includes **defence costs**. However, **we** will not pay costs for any part of a claim not covered by this section. **You** must pay the **excess** for each claim.

All claims which arise from the same original cause, a single source or a repeated or continuing shortcoming in **your** work will be regarded as one claim.

Special limit

Products

For claims arising from **your products**, the most **we** will pay is a single aggregate limit of indemnity shown in the **risk details** for the total of all such claims. The limit of indemnity includes **defence costs** until the limit of indemnity has been exhausted. **You** must pay the **excess** for each claim.

Part 2 – employers' liability

What is covered

We will indemnify **you** for the sums **you** legally have to pay as compensation if any **employee** brings a claim against **you** for **bodily injury** caused to them during the **period of insurance** and arising out of and in the course of their employment under a contract of service or apprenticeship with **you** within the territorial limits of this **policy**.

The amount **we** pay will include **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

What is not covered

The following exclusions apply to this section.

1. **We** do not cover any claim directly or indirectly due to:
 - a. any act, breach or omission **you** deliberately or recklessly commit, condone or ignore;
 - b. any motorised vehicle being used on a public road or in circumstances where any Road Traffic Act or similar legislation says that **you** must have motor liability insurance.
2. **We** will not make any payment for any claim, including arbitration, brought outside the **United Kingdom**. This exclusion also applies to proceedings to enforce a judgment or award from outside of the **United Kingdom**.

How much we will pay

We will pay up to the **amount insured** for all claims and their **defence costs** which arise from the same accident or event.

Part 3 – professional indemnity

What is covered

We will indemnify **you** for sums **you** legally have to pay as compensation in respect of **claims** made against **you** during the **period of insurance** arising out of **your** professional conduct in **your business** and alleging any:

1. negligence or breach of a duty of care;
2. negligent misstatement or negligent misrepresentation;
3. infringement of intellectual property rights including copyright, patent, trademark or moral rights or any act of passing off;
4. breach of confidence or misuse of any information, which is either confidential or subject to statutory restrictions on its use;
5. defamation.

Control of defence

We have the right, but not the obligation, to take control of and conduct in **your** name, the investigation, settlement or defence of any claim. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. **We** may appoint **your** own solicitor but on a similar-fee basis as **our** solicitor and only for work done with **our** prior written approval. Proceedings will only be defended if there is a reasonable prospect of success and taking into account the commercial considerations of the costs of defence.

What is not covered

The following extra exclusions apply to this section.

1. **We** will not make any payment for any claim which arises from any **business** activity performed or any dishonesty committed, or if applicable any document, information or data lost, damaged or destroyed before the retroactive date shown in the **risk details**.
2. **We** do not cover any claim arising directly or indirectly out of:
 - a. a change in general scholastic or scientific opinion as to attribution or provenance;
 - b. the loss, damage or destruction of any tangible property, unless arising directly from **your** breach of a duty of care in the performance of **your business**;
 - c. the ownership, possession or use of any land or building, any animal, any aircraft, watercraft or any motor vehicle;
 - d. investment of, or direct advice on the investment of, client funds;
 - e. any investment vehicles, investment funds or financial guarantees;
 - f. **your** breach of any taxation, competition, restraint of trade or anti-trust legislation or regulation;
 - g. **your** operation or administration of any pension or employee benefit scheme or trust fund, or the sale or purchase of or dealing in any stocks, shares or securities or the misuse of any information relating to them, or **your** breach of any legislation or regulation related to these activities;
 - h. **your** liability under any contract which is greater than the liability **you** would have at law without the contract;
 - i. death or any bodily or mental injury or disease suffered by anyone;
 - j. anyone's employment with or work for **you**, or any breach of an obligation owed by **you** as an employer or any kind of discrimination, harassment or unfair treatment;
 - k. any personal liability incurred by a director or officer of **yours** when acting in that capacity or managing **your business**, or a breach of any fiduciary duty, or any statement, representation or information concerning **you** or **your business** contained in **your** accounts, reports or financial statements;

- l. any **cyber attack, hacker, unintentional computer error or social engineering communication**;
 - m. the loss or distortion of any data held electronically;
 - n. any statement **you** knew, or ought reasonably to have known, was defamatory at the time of publication;
 - o. any breach, omission or infringement **you** deliberately or recklessly commit, condone or ignore;
 - p. any shortcoming in **your** work or **your** own loss which **you** knew about, or ought reasonably to have known about, before **we** agreed to insure **you**.
 - q. **your** supply, manufacture, sale, installation or maintenance of any product.
3. **We** will not make any payment for:
- a. any **claim** brought by **you** or any party with a financial, executive or managerial interest in **you**, including any parent company, any party in which **you** have a financial, executive or managerial interest or any subsidiary company;
 - b. that part of a **claim** where **your** right of recovery is restricted by any contract;
 - c. **your** lost profit or liability for any tax or levy;
 - d. any trading loss or trading liability including those arising from the loss of any client, account or business;
 - e. fines and contractual penalties, aggravated, punitive or exemplary damages;
 - f. any **claim**, including arbitration, brought outside the **United Kingdom**. This exclusion also applies to proceedings to enforce a judgment or award from outside of the **United Kingdom**.

How much we
will pay

We will pay up to the **amount insured** for each claim. The **amount insured** includes **defence costs**. However, **we** will not pay costs for any part of a claim not covered by this section. **You** must pay the **excess** for each claim.

All claims which arise from the same original cause, a single source or a repeated or continuing shortcoming in **your** work will be regarded as one claim.

Section D – defective title

Please read **your policy risk details** to see if this section is in force.

The general terms, including general conditions, general exclusions and claims conditions and the extra definitions, conditions and exclusions shown below all apply to this section.

What is covered

We will cover **you** up to the **amount insured** against any claim which is first made against **you** and notified to **us** during the **period of insurance**, arising out of a dispute involving the title of **stock** owned by **you** at the time a claim is first made.

What is not covered

The following extra exclusions apply to this section.

- 1. **We** will not make any payment for:
 - a. where the defective title of **stock** was known to or could have been discovered by **you, your** employees or **your** agents by making reasonable and proper enquiries prior to or at the time of purchase;
 - b. arising out of any circumstance which might give rise to a claim against **you** of which **you** were aware or ought reasonably to have been aware prior to the **period of insurance**;
 - c. arising from a debt incurred by **you** or from any pledge or lien;
 - d. arising out of **your** bankruptcy, insolvency, receivership, administration or liquidation;
 - e. made against **you** by any associated, parent or subsidiary company or any person or entity having a financial, executive or other similar interest in **your business**.

- f. any **cyber attack, hacker, unintentional computer error or social engineering communication**.
2. **We** do not cover any indirect losses which result from the incident which caused **you** to claim.

How much we will pay

We will pay the value of the item of **stock** in accordance with the basis of valuation provision shown in Part 1 – stock and contents. **We** will also pay the costs incurred, with **our** prior written agreement, to investigate, settle or defend a claim against **you** including claimant's costs.

The most **we** will pay in total is the **amount insured**.

Conditions

You must comply with the obligations set out in the following additional conditions. If **you** fail to do so, **you** shall be liable to **us** for an amount equal to the detriment **we** have suffered as a result of **your** failure to comply with this obligation, which **we** may deduct from any payment **we** make under this **policy**.

Claims notification

You must notify **us** as soon as reasonably possible in writing during the **period of insurance** of any claim made against **you** or of any circumstance which may subsequently give rise to a claim. Any claim arising out of such circumstance shall be deemed to be a claim first made against **you** during the **period of insurance**.

Conduct of claims

You must not admit liability for or agree to settle any claim, or incur any costs without **our** written consent. **We** shall be entitled to instruct **our** solicitors to act on **your** behalf and conduct in **your** name the investigation, defence, pursuit or settlement of any claim and **you** must give **us** any information or assistance **we** may reasonably require.

Settlement of claims

If **we** wish to settle any claim and **you** decide to continue to contest that claim, then **our** liability for that claim will not exceed the amount for which the claim could have been settled. Any defence costs incurred by **you** after that date will be **your** responsibility. If **we** decide to make a payment to the limit of liability in respect of a claim the payment will represent a total discharge of any further liability of **ours** in connection with that claim.

Risk details

Policy number:

Insured:

Address for correspondence:

Period of insurance: From: To:

Named locations:

Section A – property

Part 1 – stock and contents:

Basis of valuation for unsold stock belonging to you:

Part 2 – buildings:

Amount insured

Section B – business interruption

Indemnity period:

Months

Section C – your liabilities

Part 1 – public liability:

– products liability:

Part 2 – employers' liability:

Part 3 – professional indemnity:

– retroactive date:

Amount insured

Section D – defective title

Amount insured

Excess:

Section A – property

Part 1 – stock and contents:

Part 2 – buildings:

Amount insured

Section B – business interruption

Amount insured

Section C – your liabilities

Part 1 – public liability:

Part 2 – employers' liability:

Part 3 – professional indemnity:

Amount insured

Amount insured

Section D – defective title

£

Premium:

Law and jurisdiction: