

[Additional Covers Insurance]

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General Conditions Applicable to Transit Insurance and Deterioration of Stock Insurance

1 Policy Voidable

This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure of any material particular

2 Observance of Terms

Observance of the terms of this Policy relating to anything to be done or complied with by the Policyholder is a condition precedent to any liability of the Company

3 Reasonable Precautions

The Policyholder at his own expense shall

- A) take all reasonable precautions to prevent or diminish loss destruction or Damage or any occurrence or cease any activity which may give rise to liability under this Policy and to maintain all buildings furnishings ways works machinery plant caravans and vehicles in sound condition
- B) exercise care in the selection and supervision of employees
- C) as soon as possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require

4 Alterations

This Policy shall be avoided if

- A) the Business be wound up or carried on by a liquidator or receiver or permanently discontinued or
- B) the Policyholder's interest cease otherwise than by death or
- C) any alteration be made either in the Business or in the Premises or property therein the occupation of any Insured Person or any other circumstances whereby the risk is increased

at any time after the commencement of this insurance unless its continuance be admitted by memorandum signed by or on behalf of the Company

5 Policyholder's Interest

This Policy shall be avoided if the Policyholder's interest ceases and nothing herein contained shall give any right against the Company to any person other than the Policyholder except to a transferee approved by the Company

6 Premium Adjustments

If any part of the Premium or Renewal Premium is based on estimates provided by the Policyholder the Policyholder shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record The Policyholder shall within one month after the expiry of each Period of Insurance provide such information as the Company may require The Premium shall then be adjusted and the difference paid by or allowed to the Policyholder

7 Cancellation

This Policy may be cancelled

- A) by the Company giving 30 days notice in writing to the Policyholder at their last known address Thereupon the Policyholder shall become entitled to a proportionate return of premium
- B) by the Policyholder giving 30 days notice in writing to the Company at the address shown in the Schedule provided a Long Term Agreement is not applicable to the Policy The Policyholder shall be entitled only to a return premium in accordance with the Company's usual short period scale

provided that no claim has been made in the then current Period of Insurance

8 Consumer Credit Termination

We reserve the right to terminate the Policy in the event that there is a default in Instalment payments due under any linked loan agreement

9 Law Applicable

Unless the parties have agreed otherwise in writing any dispute concerning the interpretation of the Policy shall be governed and construed in accordance with English law and shall be resolved within the non-exclusive jurisdiction of the courts of England and Wales

10 The Company's Liability

The total amount payable by the Company in respect of any claim irrespective of the number of parties insured by this Policy having a claim under this Policy shall not exceed in the whole the Total Sum Insured or in respect of any item its Sum Insured or any other stated Limit of Liability

For the purposes of the Sum Insured/Limit of Indemnity all of the parties insured under this Policy shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely the Company and the Policyholder both as defined herein

Claims Conditions Applicable to Transit Insurance and Deterioration of Stock Insurance

1 Fraud

If the claim be in any respect fraudulent or if any fraudulent means or devices be used by the Policyholder or anyone acting on his behalf to obtain any benefit under this Policy or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the Policyholder all benefit under this Policy shall be forfeited

2 Action by the Policyholder

On the discovery of any circumstance or Event which may give rise to a claim under this Policy the Policyholder shall

- A) notify the Company in writing immediately
- B) give immediate notice to the Police Authority in respect of loss destruction or Damage (other than by fire or explosion) caused by malicious persons or thieves if insured by this Policy
- C) carry out and permit to be taken any action which may be reasonably practicable to prevent further loss destruction or Damage and to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss
- D) as soon as possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
- E) within 30 days (7 days in the case of Damage caused by riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons if insured by this Policy) after the circumstances or Event or of the expiry of the Indemnity Period or such further time as the Company may allow at his own expense deliver to the Company
 - 1) full information in writing of the claim
 - 2) details of any other insurance relating to the claim
 - 3) all such business books documents proofs information explanation and other evidence as may be reasonably required all of which information and details may be produced by the Policyholder's professional accountants or auditors who are regularly acting as such their report being prima facie evidence of such information and details
 - 4) if demanded a statutory declaration of the truth of the claim and of any matter connected with it

If the terms of this Condition have not been complied with

- 1) no claim under this Policy shall be payable
- 2) any payment on account of the claim already made shall be repaid to the Company immediately

3 Rights of the Company

- A) On the happening of any Damage in respect of which a claim is made or may be made under this Policy the Company and any person authorised by them may
 - 1) enter take or keep possession of the Premises where such loss destruction or Damage has occurred
 - 2) take possession of or require to be delivered to them the Property insured
 - 3) deal with such Property for all reasonable purposes and in any reasonable manner without thereby incurring liability or diminishing any of the Company's rights under this Policy
- B) No Property may be abandoned to the Company whether taken possession of by the Company or not
- C) No admission offer promise payment or indemnity shall be made or given by or on behalf of the Policyholder without the written consent of the Company which shall be entitled to take over and conduct in the name of the Policyholder the defence or settlement of any claim or to prosecute any claim in the name of the Policyholder for their own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim

The Policyholder shall give all such assistance as the Company may require

4 Subrogation

The Policyholder shall at the Company's request and expense do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss under this Policy whether such acts and things shall be or become necessary or required before or after the Company indemnifies the Policyholder

The Company shall not enforce any rights against any Company being Parent of or Subsidiary to the Policyholder or any Company which is a Subsidiary of a Parent company of which the Policyholder are themselves a Subsidiary in each case within the meaning of Sections 736 and 744 of the Companies Act 1985 or Articles 2 and 4 of the Companies (Northern Ireland) Order 1986

5 Contribution

If at the time of any claim there is any other insurance covering the Policyholder's interest in the property lost destroyed or damaged or the same legal liability the Company's liability under this Policy shall be limited to its rateable proportion of such claim If any such other insurance is subject to any condition of average this Policy if not already subject to any condition of average shall be subject to average in like manner

If any other insurance effected by or on behalf of the Policyholder is expressed to cover any of the property hereby insured but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably to the loss destruction or damage the Company's liability hereunder shall be limited to such proportion of the loss destruction or damage as the sum hereby insured bears to the value of the Property

6 Arbitration

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in that behalf for the time being in force Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Company

Transit Insurance

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

Interpretations

Consignment shall mean

All Property whether contained in one or any number of parcels packages or containers or in bulk sent at one time in one load from one address to one address

Damage shall mean

Physical loss damage or destruction

Event shall mean

Any one occurrence or all occurrences of a series consequent upon or attributable to one original source or cause

Money shall mean

Cash bank notes currency notes cheques bankers' drafts postal orders money orders current postage stamps and revenue stamps National Insurance stamps National Savings stamps and certificates holiday savings stamps luncheon vouchers credit company sales vouchers VAT purchase invoices Premium Bonds bills of exchange giro cheques and drafts gift tokens trading stamps unused units in franking machines consumer redemption vouchers credit cards and cash dispenser cards

Policyholder's Contribution shall mean

The first £25 of each and every claim (as ascertained after the application of the Underinsurance Condition) except in respect of Property despatched by post rail or road carrier which shall be the first £10 of each and every claim

Property shall mean

Property belonging to or for which the Policyholder is responsible incidental to the Business

Territorial Limits shall mean

Great Britain Northern Ireland the Channel Islands or the Isle of Man including sea or air transits between these territories

Exclusions

The Company shall not be liable in respect of

- 1 the amount of the Policyholder's Contribution
 - 2 loss of market loss of profits delay or any consequential loss
 - 3 loss of sheets ropes packing materials dunnage securing chains and toggles as a result of disappearance or shortage if such loss is not traceable to any Event or is only revealed when an inventory is made
 - 4 Property warehoused at a rental or under a contract for storage and distribution
 - 5 Money and securities
 - 6 jewellery watches furs cameras or any portable electronic entertainment equipment belonging to vehicle drivers or attendants
 - 7 Property carried by or despatched by the Policyholder for hire or reward
 - 8 Damage to Property arising as a result of packing which was inadequate to withstand normal handling during transit
 - 9 Damage to Property
 - A) due to insufficient labelling or incorrect addressing or to failure to make proper and complete declarations required by carriers
 - B) in any vehicle which is being used outside the normal course of the Business for social domestic or pleasure purposes except that this shall not apply to Property in the custody of the postal authority the railway board or other carrier
 - C) in open vehicles owned or operated by the Policyholder caused by atmospheric or climatic conditions unless the Property is protected by vehicle sheets
 - 10 Damage to Property caused by or arising from
 - A) wear tear depreciation deterioration mildew moth vermin inherent vice inherent nature mechanical or electrical breakdown failure or derangement unless external damage has occurred
 - B) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power confiscation requisition seizure or destruction by any government or any public authority
 - 11 Damage to Property in Northern Ireland caused by or happening through or in consequence of
 - A) riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons
 - B) any unlawful wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any unlawful associationFor the purposes of this Exclusion
unlawful association means any organisation which is engaged in Terrorism and includes an organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973
Terrorism means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear
- In any action suit or other proceedings where the Company alleges that by reason of the provisions of this Exclusion any Damage is not covered by this Policy the burden of proving that such Damage is covered shall be upon the Policyholder
- 12 Damage to any Property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - 13 Damage to Property directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

14 Electronic Risk

- A) Damage to Data which shall include but shall not be limited to
 - 1) Damage to or corruption of Data whether in whole or in part
 - 2) unauthorised appropriation of use of access to or modification of Data
 - 3) unauthorised transmission of Data to any third parties
 - 4) Damage arising out of any misinterpretation use or misuse of Data
 - 5) Damage arising out of any operator error in respect of Data
 - B) Damage to the Property Insured arising directly or indirectly from
 - 1) the transmission or impact of any Virus
 - 2) unauthorised access to a System
 - 3) interruption of or interference with electronic means of communication used in the conduct of the Policyholder's Business including but not limited to any diminution in the performance of any website or electronic means of communication
 - 4) Failure of a System
 - 5) anything described in A) above
- but in respect of B) 1) B) 2) B) 3) and B) 4) this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded provided that such Damage does not arise by reason of any malicious act or omission

Definitions

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

Failure of a System shall mean the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the Policyholder to operate at any time as desired as specified or as required in the circumstances of the Policyholder's Business activities

Microchip shall mean a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontrollers

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

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

Special Conditions

1 References

The Policyholder shall obtain check and retain two satisfactory written references from reliable sources in respect of all new drivers vehicle attendants travellers and agents engaged after inception of this Policy and prior to entrusting them with any Property

2 Underinsurance

If the Property shall at the commencement of any Damage hereby insured against be collectively of greater value than the Limit of Liability or if applicable the Sum Insured then the Policyholder will be considered as being his own insurer for the difference and shall bear a rateable share of the Damage accordingly

3 Number of Vehicles travellers or agents

The Policyholder shall not at any time

A) own or operate more vehicles

B) entrust Property to more travellers or agents

than the number specified in the Schedule without the written agreement of the Company

4 Vehicle Security Requirements (Applicable if shown in the Schedule)

1) Immobiliser

No claim will be admitted for theft from a vehicle where the vehicle has been removed by the thief or thieves unless the Policyholder proves that the vehicle has been fitted with an immobiliser as specified herein Such immobiliser to be in efficient working order and duly operated whenever the vehicle is not individually attended

Immobiliser shall mean

A) the vehicle manufacturer's factory fitted automatically setting immobiliser the operation of which can only be cancelled by use of a key switch or transponder

or

B) the vehicle manufacturer's factory fitted steering column lock

or

C) any other device agreed by the Company in writing

2) Alarm

No claim will be admitted for theft from a vehicle unless the Policyholder proves that the vehicle has been fitted with an alarm as specified herein

Such alarm to be in efficient working order and duly operated whenever the vehicle is not individually attended

Alarm shall mean

An automatically setting alarm and immobiliser which was fitted and maintained in accordance with BS6803 part 3 Class III or IV by a specialist commercial vehicle security installation company

3) Additional Protection

No claim will be admitted for theft from a vehicle unless the vehicle is protected with yale-type mortice dead lock(s) or latch-lock(s) to the back door(s) and side door(s) of the body and a yale-type mortice dead-lock to the driver's door and 3 inch brass or steel bolt(s) to the bottom(s) of the other cabin door(s) or such alternative locks approved by the Company in writing

Such protections to be in efficient working order and duly operated whenever the vehicle is not individually attended

4) Unattended Vehicle

No claim will be admitted for theft from any vehicle not individually attended unless

A) all doors windows and other openings are left closed securely locked and properly fastened and

B) entry or access to the vehicle has been effected by forcible and violent means

5) Overnight Requirement

No claim will be admitted for theft in respect of Property left in or on any unattended vehicle for the night except where such vehicle is protected in accordance with any other Vehicle Security Requirement(s) specified herein and is either garaged in a building which is securely closed and locked or parked in a compound secured by locked gates

6) Vehicle Security Requirement 5 (Overnight Requirement) applies within a radius of 20 miles of

A) the Policyholder's own Premises

B) Charing Cross London

7) No claim will be admitted for theft of or from any vehicle which is not individually attended

- 8) Trailer
No claim will be admitted for theft from a trailer which is detached from the towing vehicle and where the trailer has been removed by the thief or thieves unless the trailer is fitted with a king pin lock or draw bar lock or any alternative device which has been approved by the Company in writing
- 9) Co-Insurance
In the event of non-compliance with one or more of Vehicle Security Requirements Numbered 1 to 6 inclusive and 8 if specified herein the Company agrees to provide indemnity subject otherwise to the Policy terms and Conditions provided
- A) that the Policyholder shall bear 20% of each and every agreed claim and
 - B) that all drivers attendants travellers and agents have been instructed in writing prior to entrusting them with any Property or at inception of this Policy as to their responsibility for compliance with such Vehicle Security Requirements
- 10) Excluding Theft Overnight
No liability is accepted for theft of Property left for the night in or on any unattended vehicle
- 11) Special Traffic
Two able-bodied adults shall be employed on the vehicle throughout the journey and one of them shall be in the vehicle cab at all times

Deterioration of Stock Insurance

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Interpretations

Damage

Damage shall mean physical loss damage or destruction

Reinstatement of Loss

In consideration of the Policyholder agreeing to pay the Company an appropriate additional premium the Company will automatically reinstate the Sum Insured in full after loss or Damage as insured hereby has occurred subject to

- A) the cause of such loss or Damage being rectified before reinstatement of the Sum Insured is effective
- B) such reinstatement not applying to the original loss or Damage nor to any succeeding loss or Damage arising out of the same continuous cause
- C) the Company not giving the Policyholder notice within 30 days of the Policyholder reporting the loss or Damage to the Company that the Company will not reinstate the Sum Insured

Stock in the Cold Chamber

The term 'stock in the cold chamber' shall be deemed to include the stock which at the time of the loss or Damage giving rise to such deterioration or putrefaction is elsewhere on the Premises but which would in the normal course be placed in the said cold chamber

The Policyholder's Contribution

The first £25 of each and every loss borne by the Policyholder or otherwise specified in the Schedule as ascertained after the application of the Underinsurance Condition

Cover

In the event of loss or Damage by deterioration or putrefaction of Stock in the Cold Chamber of any machine detailed in the Schedule while at the Premises

- A) due to the rise or fall in temperature resulting from any cause not hereunder excluded or
 - B) due to the action of refrigerant fumes which have escaped from the machine
- during any Period of Insurance at the commencement of which such machine does not exceed the age of fifteen years

The Company will pay to the Policyholder the amount of such loss or Damage but not exceeding as far as each item is concerned the Sum Insured or in all the Total Sum Insured

Exclusions

The Company shall not be liable in respect of

- 1 deterioration or putrefaction resulting from Damage at the Premises by fire lightning explosion flood earthquake aircraft or other aerial devices or articles dropped therefrom or by leakage from a sprinkler installation
- 2 loss or Damage resulting from the deliberate act of any public electricity supply authority or the exercise by any such authority of its power to withhold or restrict supply or from the wilful neglect of the Policyholder
- 3 loss of goodwill or other consequential loss of any nature whatsoever
- 4 the Policyholder's Contribution
- 5 loss destruction or Damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
- 6 loss or destruction of or Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- 7 any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power or riot or civil commotion in Northern Ireland or the Republic of Ireland

8 Electronic Risk

- A) Damage to Data which shall include but shall not be limited to
 - 1) Damage to or corruption of Data whether in whole or in part
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 - 3) unauthorised transmission of Data to any third parties
 - 4) Damage arising out of any misinterpretation use or misuse of Data
 - 5) Damage arising out of any operator error in respect of Data
 - B) Damage to the Property Insured arising directly or indirectly from
 - 1) the transmission or impact of any Virus
 - 2) unauthorised access to a System
 - 3) interruption of or interference with electronic means of communication used in the conduct of the Policyholder's Business including but not limited to any diminution in the performance of any website or electronic means of communication
 - 4) Failure of a System
 - 5) anything described in A) above
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Virus shall mean programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self replication or not

Special Condition

Underinsurance Condition (Average)

The Sum Insured by each Item is separately but similarly subject to the following Condition

If the Sum Insured on stock shall at the commencement of any loss or Damage be less than the value of such property the Policyholder will be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly

