

Artists Insurance Policy

Developed in conjunction with a-n The Artists Information Company, acting on behalf of members of AIR (Artists' Interaction and Representation)

Policy Wording

Section 1 –Artwork & Artists Materials

(operative only if stated in the **Schedule**)

Operative Clause

Insurers agree that if any of the **Artwork** described be accidentally lost, destroyed or **Damaged** whilst situated at the **Studio Premises** or anywhere within the Territorial Limits specified in the **Schedule** the **Insurers** will pay the **Insured** the value of the property at the time of the **Damage** in accordance with the Basis of Settlement.

Provided that the liability of the **Insurers** under this Section shall not exceed;

- a) in the whole the total **Sum Insured** or in respect of any item its **Sum Insured** or any other **Limit of Liability** stated in the **Schedule** at the time of **Damage**
- b) the **Sum Insured** or any other **Limit of Liability** remaining after deduction for any other **Damage** occurring during the same **Period of Insurance** unless the **Insurers** shall have agreed to reinstate any such **Sum Insured** or any other **Limit of Liability**
- c) in respect of any single item of **Artwork**, the Maximum Single Article Limit as specified in the **Schedule**

adjusted in accordance with the *Inflation Protection Clause* if applicable.

Specific Exclusions Applicable to Section 1

The liability of the **Insurers** under this Section does not cover **Damage** to any property whatsoever or any loss or expense whatsoever resulting arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed from;

- 1) the amount of the **Excess** specified in the **Schedule**
- 2) Theft from any unattended motor vehicle unless:
 - a) all doors and windows are securely locked and the keys removed from the vehicle
 - b) all security protections installed for the protection of the vehicle is set and in operation
 - c) the **Artwork** is kept out of plain sight
- 3) **Damage** caused by or consisting of;
 - a) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
 - b) change in temperature, colour, flavour, texture or finish
 - c) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
 - d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originatesBut this will not exclude;
 - a) such **Damage** not otherwise excluded which itself results from a **Defined Peril** or from any other accidental loss destruction or **Damage**
 - b) subsequent **Damage** which results from a cause not otherwise excluded
- 4) the bursting by steam, pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured** other than any boiler or economiser on the **Studio Premises** used for domestic purposes, such as a hot water and/or central heating/ventilation system.
- 5) **Damage** caused by
 - a) faulty manipulation, scratching or denting, or loss of magnetism and/or erasure of tapes, or faulty projection, shortage in weight, contamination, taint or insufficiency of insulation
 - b) climatic or atmospheric conditions or extremes of temperature
- 6) loss by delay, loss of market, **Consequential Loss** of any and every description
- 7) **Damage** to the **Artwork** sustained during transit
 - a) where the packaging, having regard to the nature of the objects and the circumstances of the transport, is clearly insufficient
 - b) to any glass item or other items of a brittle nature transported in the hold of an aircraft.This exclusion will not apply to **Damage** sustained to the **Artwork** whilst in the possession of professional Art Movers.
- 8) Infidelity or dishonesty of the **Insured** or any of their **Persons Employed** or other persons to whom **Property Insured** may be entrusted nor loss, destruction or **Damage** resulting from the **Insured** voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence
- 9) any unexplained loss or shortage disclosed on taking inventory
- 10) **Damage** to aircraft, watercraft, vehicles, livestock, growing timber or crops, jewellery, furs, watches, precious metals/stones, money, documents, data or word-processing media or computer systems records unless specifically mentioned in the **Schedule**
- 11) **Damage** caused to property whilst being worked upon or by or consisting of faulty or defective workmanship, operational error or omission on the part of the **Insured** or any **Person Employed** but this shall not exclude;
 - a) such **Damage** not otherwise excluded which itself results from a **Defined Peril**
 - b) subsequent **Damage** which itself results from a cause not otherwise excluded
- 12) **Damage** in respect of movable property in the open by theft, wind, rain, hail, sleet, snow, flood or dust
- 13) **Damage** to property contained within any **Studio Buildings** that is **Unoccupied** unless resulting from fire, lightning, aircraft or explosion
- 14) property which at the time of the happening of **Damage** is insured by or would but for the existence of this **Policy** be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- 15) any property more specifically insured by or on behalf of the **Insured**

Basis of Settlement

1) Completed Artworks

100% of the net sale price of the work to the **Insured** or, in respect of commissioned work, 100% of the contract value (less any non-refundable payments received by or due to the **Insured**) or, if the **Artwork** is not sold or commissioned, the estimated fair market value of the **Artwork**.

2) Works In Progress

50% of the estimated net sale price of the work to the **Insured** when complete or, in respect of commissioned work, 50% of the contract value (less any non-refundable payments received by or due to the **Insured**), to which such adjustments shall be made as may be necessary to provide for the actual true value of the work to the **Insured** at the time of the **Damage**.

3) Artists Materials

Replacement cost to the **Insured**.

4) Partial Losses

In the event of partial **Damage** to the insured property, the **Insurers** may, at their option, choose to pay to the **Insured** the reasonable costs and expenses incurred by the **Insured** in the restoration of the work plus any subsequent depreciation in value, provided always that should such costs, expenses and depreciation exceed 50% of the **Insurers** liability under 1), 2) or 3) above then this shall be deemed to be a total loss and the basis of settlement shall be in accordance with 1), 2) or 3) above.

Clauses applying to Section 1

Expert Determination Clause

If any dispute shall arise between the **Insured** and the **Insurers** as to the value of any item of **Artwork** hereunder insured and subject to a claim under this policy and for which the **Insurers** have accepted liability, then the dispute shall be referred to expert determination by an expert to be agreed on by both parties.

If the parties cannot agree on an expert within seven days of either party serving details of a suggested expert on the other, either party may then request the Director of the Contemporary Art Society to appoint an expert with suitable experience.

The expert shall be required to prepare a written decision and notify the parties within 4 weeks of the matter being referred to them. If the expert dies or becomes unwilling or incapable of acting, or does not deliver the decision within the time-period stated, either party may apply to the Director of the Contemporary Art Society to discharge the expert and appoint a suitable replacement.

Each party shall bear their own costs in relation to the reference to the expert. The experts fees (including those of any advisers appointed by the expert) shall be borne by the parties in such proportions as the expert shall direct.

The expert shall act as an expert and not as an arbitrator and their decision shall be final and binding on both parties.

Inflation Protection Clause

The **Insurers** will adjust the **Sum Insured** in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted **Sum Insured**.

Maintenance of Records Clause

It is a condition of the cover provided by this Section that the **Insured** shall maintain a record of all work undertaken, completed and in progress and that such records shall be made available to **Insurers** upon request in support of any claim.

Onus of Proof Clause

In the event of any dispute relating to the value of any **Artwork**, the onus of proof will rest with the **Insured**.

Pairs and Sets Clause

In respect of **Damage** to any **Artwork** that is part of a pair or set, to the extent that it is deemed to be a total loss the **Insurers** shall pay to the **Insured** the total value of the pair or set as insured by the terms of this policy. In such circumstances, ownership of the remaining items of **Artwork** of the pair and set shall transfer to **Insurers**.

Reinstatement of Sum Insured Clause

In the event of loss the **Sum Insured** by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the **Insurers** or by the **Insured** and the **Insured** undertake to pay such necessary premiums as may be required for such reinstatement from that date.

Unoccupied Buildings Clause

- a) Whenever the **Property Insured** by this Section is **Unoccupied**, *Special Endorsement L (UnoccupancyCondition)* will apply
- b) The **Insurers** must be notified in writing immediately if any **Unoccupied** building or **Unoccupied** portion of a **Studio Building** insured hereby becomes occupied or any occupied building becomes **Unoccupied** and a suitable extra premium paid if required.

Section 2 – Artists Tools, Equipment and Other Property

(operative only if stated in the **Schedule**)

Operative Clause

Insurers agree that if any of the **Property Insured** described be accidentally lost, destroyed or **Damaged** whilst situated at the **Studio Premises** or anywhere within the Territorial Limits specified in the **Schedule** the **Insurers** will pay the **Insured** the value of the property at the time of the **Damage** or at the **Insurers** option reinstate or replace such property or part of it.

Provided that the liability of the **Insurers** under this Section shall not exceed;

- a) in the whole the total **Sum Insured** or in respect of any item its **Sum Insured** or any other **Limit of Liability** stated in the **Schedule** at the time of **Damage**
- b) the **Sum Insured** or any other **Limit of Liability** remaining after deduction for any other **Damage** occurring during the same **Period of Insurance** unless the **Insurers** shall have agreed to reinstate any such **Sum Insured** or any other **Limit of Liability**

adjusted in accordance with the *Inflation Protection Clause* if applicable.

Specific Exclusions Applicable to Section 2

The liability of the **Insurers** under this Section does not cover **Damage** to any property whatsoever or any loss or expense whatsoever resulting arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed from;

- 1) the amount of the **Excess** specified in the **Schedule**
- 2) Theft from any unattended motor vehicle unless:
 - a) all doors and windows are securely locked and the keys removed from the vehicle
 - b) all security protections installed for the protection of the vehicle is set and in operation
 - c) the **Property Insured** is kept out of plain sight
- 1) **Damage** caused by or consisting of;
 - a) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
 - b) change in temperature, colour, flavour, texture or finish
 - c) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
 - d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originatesBut this will not exclude;
 - i) such **Damage** not otherwise excluded which itself results from a **Defined Peril** or from any other accidental loss destruction or **Damage**
 - ii) subsequent **Damage** which results from a cause not otherwise excluded
- 4) the bursting by steam, pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured** other than any boiler or economiser on the **Studio Premises** used for domestic purposes, such as a hot water and/or central heating/ventilation system.
- 5) **Damage** caused by
 - a) faulty manipulation, scratching or denting, or loss of magnetism and/or erasure of tapes, or faulty projection, shortage in weight, contamination, taint or insufficiency of insulation
 - b) climatic or atmospheric conditions or extremes of temperature
- 6) loss by delay, loss of market, **Consequential Loss** of any and every description
- 7) breakage of articles of a brittle nature (other than jewellery) unless such breakage is caused by burglars, thieves, or fire, and/or breakage of glass, over winding or internal damage of clocks and/or watches
- 8) Infidelity or dishonesty of the **Insured** or any of their **Persons Employed** or other persons to whom **Property Insured** may be entrusted nor loss, destruction or **Damage** resulting from the **Insured** voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence
- 9) any unexplained loss or shortage disclosed on taking inventory
- 10) **Damage** to aircraft, watercraft, vehicles, livestock, growing timber or crops, jewellery, furs, watches, precious metals/stones, money, documents, data or word-processing media or computer systems records unless specifically mentioned in the **Schedule**
- 11) **Damage** caused to property whilst being worked upon or by or consisting of faulty or defective workmanship, operational error or omission on the part of the **Insured** or any **Person Employed** but this shall not exclude;
 - a) such **Damage** not otherwise excluded which itself results from a **Defined Peril**
 - b) subsequent **Damage** which itself results from a cause not otherwise excluded
- 12) **Damage** caused by or consisting of Subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- 13) **Damage** caused by the normal settlement or bedding down of new structures
- 14) destruction of or **Damage** to a building or structure caused by its own collapse or cracking unless resulting from a **Defined Peril** in so far as it is not otherwise excluded
- 15) **Damage** in respect of movable property in the open, fences or gates by theft, wind, rain, hail, sleet, snow, flood or dust
- 16) **Damage** to property contained within any **Studio Buildings** that is **Unoccupied** unless resulting from fire, lightning, aircraft or explosion
- 17) property which at the time of the happening of **Damage** is insured by or would but for the existence of this **Policy** be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- 18) any property more specifically insured by or on behalf of the **Insured**

Extensions to Section 2

Glass

The **Insurers** agree to pay the **Insured** reasonable costs and expenses up to a maximum of GBP 2,000 incurred due to the breakage of **Glass** at the **Studio Premises** including;

- a) The reasonable cost of boarding up rendered necessary by such breakage
- b) The reasonable cost of repairing or replacing window frames and framework consequent upon the breakage of **Glass**
- c) The reasonable cost of refitting alarm foil consequent upon the breakage of **Glass**

The liability of the **Insurers** does not cover;

- a) The first GBP 100 of any claim
- b) **Consequential Loss** of any kind or description except as stated herein to the contrary
- c) Any breakage arising directly or indirectly from: -
 - i) alterations or repairs to the **Studio Premises** or occurring whilst the **Studio Premises** are empty or not in use
 - ii) defects in frames, framework or other fittings

Money and Non Negotiable Items

The **Insurers** agree to the extent and in the manner provided herein to indemnify the **Insured** for amounts not exceeding the limits stated against;

- a) **Damage to Non Negotiable Items** from any cause
- b) **Damage to Money** from any cause whilst:
 - i) in the **Studio Premises** outside **Business Hours** not contained in locked safes or strongrooms up to GBP 250.00
 - ii) in the private residence of the **Insured** or any authorised partner, director or **Person Employed** of the **Insured** up to GBP 250.00
 - iii) in the **Studio Premises** outside **Business Hours** contained in locked safes or strongrooms described in the **Schedule** up to GBP 1,000
 - iv) on the **Studio Premises** during **Business Hours** up to GBP 1,000
 - v) whilst in transit or bank night safe up to GBP 1,000
 - vi) in a gaming, amusement or vending machine up to GBP 250.00
- c) **Damage** caused by thieves to safes and strongrooms (as described in the **Schedule**), stamp franking machines, approved security cases, bags or waistcoats containing the **Non Negotiable Items** and **Money** insured hereby

occurring during the **Period of Insurance**.

In respect of the cover provided by this extension, it is a condition precedent to liability that;

- a) any till or cash register on the **Studio Premises** shall be left open and unlocked outside of **Business Hours**
- b) a daily record be kept of all **Money** in transit and on the **Studio Premises** and that such record shall be deposited in a safe place other than in the safes or place containing the **Money**
- c) outside of **Business Hours** the safes and strongrooms are kept locked and the keys of the safes and strongrooms are not left on the **Studio Premises**.

The liability of the **Insurers** does not cover;

- a) Shortages due to clerical or accounting errors
- b) **Damage** due to the fraud or dishonesty of any person employed by the **Insured**:-
 - i) not discovered within 7 working days of its occurrence
 - ii) more specifically insured by any other insurance or insurances except in respect of any loss beyond the amount payable under such other insurance or insurances
- c) **Damage to Money** and or **Non Negotiable Items** from:-
 - i) vending or gaming machines unless specifically stated in the **Schedule**
 - ii) unattended vehicles
 - iii) any unattended room in the **Studio Premises** during **Business Hours** for an amount exceeding GBP 500 unless in a locked desk or cupboard, strong box or safe with keys removed from the room
- d) **Damage** arising elsewhere than in the United Kingdom
- e) The first GBP 100 of any claim.

Personal Accident Assault

In the event of **Injury** to an **Insured Person** as a direct result of assault, robbery or hold up or any attempt thereat at the **Studio Premises** or whilst carrying **Money** relating to the **Business**, then the **Insurers** will pay the **Compensation** as specified in respect of the following;

a)	Death	Benefit Payable GBP 10,000
b)	Loss of Sight	GBP 10,000
c)	Loss of Limb(s)	GBP 10,000
d)	Permanent Total Disablement	GBP 10,000
e)	Temporary Total Disablement	GBP 100 per week up to a maximum of 52 weeks

Providing that the **Compensation** payable in respect of **Temporary Total Disablement** shall not exceed the **Insured Persons** weekly remuneration from the **Insured**.

In respect of the cover being provided by this extension, it is a condition precedent to liability that;

- 1) In the event of any **Injury**, the **Insured Person** must place themselves under the care of a fully qualified medical practitioner and act upon such medical or surgical advice as is given as soon as practicable
- 2) The **Insured** shall notify the **Insurers** within 7 days of the incident giving rise to the claim providing all necessary details and obtain at his or her own expense any medical report(s) as may be required by the **Insurers**
- 3) The **Insured Person** shall at the **Insurers** request submit themselves to medical examination at the **Insurers** expense as often as they deem necessary
- 4) No **Compensation** shall be payable until the period of Disablement has been determined and (where Temporary) ceased

- 5) Notwithstanding anything to the contrary in 4) above, **Insurers** may at their discretion pay any **Compensation** due at intervals in arrears
- 6) **Compensation** will only be paid by **Insurers** on production of a medical certificate or other such written evidence from a qualified medical practitioner.

The liability of the **Insurers** does not cover;

- i) Under more than one item of a) to d) above in connection with the same incident, except that if any personal **Injury** is payable under item d) it shall be deducted from any amount subsequently paid under items a) b) or c)
- ii) For **Death Injury Permanent Total Disablement** or **Temporary Total Disablement** caused or contributed to or arising from any pre-existing defect infirmity illness or disease

Clauses applying to Section 2

Additional Metered Water Charges Clause

Additional metered water charges incurred by the **Insured** as a result of **Damage** except those in respect of any loss which has not been discovered and remedial action taken within 30 days of the occurrence of the **Damage** provided that the maximum amount payable under this Clause in any one **Period of Insurance** shall not exceed GBP 5,000.

Architects, Surveyors, Legal and Consulting Engineers Fees Clause

An amount in respect of architects, surveyors, legal and consulting engineers fees necessarily incurred in the reinstatement or repair of the **Property Insured** consequent upon its **Damage** but not for preparing any claim it being understood that the amount payable for such destruction or **Damage** and fees shall not exceed in the aggregate the **Sum Insured**.

Extinguishment and Alarm Resetting Expenses Clause

The reasonable costs incurred by the **Insured** in refilling fire extinguishing appliances, replacing used sprinkler heads and resetting fire or intruder alarms as a result of **Damage** to the **Property Insured**.

Inflation Protection Clause

The **Insurers** will adjust the **Sum Insured** in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted **Sum Insured**.

Mortgagees and Other Interests Clause

The act or neglect of any mortgagor or occupier of any **Studio Buildings** hereby insured whereby the risk of **Damage** is increased without the authority or knowledge of any mortgagee shall not prejudice the interest of the latter party (or parties) in this insurance provided they shall notify the **Insurers** immediately on becoming aware of such increased risk and pay additional premium if required.

Reinstatement of Sum Insured Clause

In the event of loss the **Sum Insured** by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the **Insurers** or by the **Insured** and the **Insured** undertake to pay such necessary premiums as may be required for such reinstatement from that date.

Removal of Debris Clause

Costs and expenses necessarily incurred by the **Insured** with the consent of the **Insurers** in;

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping of the portions of the **Property Insured**
- d) clearing drains, sewers and gutters at the **Property Insured**

as a result of **Damage** hereby insured against

The **Insurers** will not pay for any costs or expenses;

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

The liability of the **Insurers** under this Clause and this Section in respect of any item shall in no case exceed the **Sum Insured** thereby.

Repairs and Alterations Clause

Joiners and other tradesmen may be employed to effect minor repairs or minor structural alterations other than any work involving the use of heat such as blow lamps, welding or cutting equipment in the **Studio Premises** without prejudice to the insurance hereby.

Subrogation Waiver Clause

In the event of a claim arising under this Section the **Insurers** agree to waive any rights, remedies or relief to which they might have become entitled by subrogation against;

- a) any company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to the **Insured** as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of **Damage**
- b) any company which is a subsidiary of a Parent Company of which the **Insured** are themselves a Subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of **Damage**
- c) any tenant provided that;
 - i) the **Damage** did not result from a criminal fraudulent or malicious act of the tenant and
 - ii) the tenant contributes to the cost of insuring the **Property Insured** against the event which caused the **Damage**.

Temporary Removal Clause

1. Subject to the following provisions the **Property Insured** by this Section (other than property covered by paragraph (2) below) is covered whilst temporarily removed for cleaning, renovation, repair or other similar purposes elsewhere on the same or to any other premises and in transit thereto and therefrom on land or inland waterway in Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man.

The amount recoverable under this clause in respect of each item insured under this Section shall not exceed the amount which would have been recoverable had the **Damage** occurred in that part of the **Studio Premises** from which the property is temporarily removed nor, in respect of **Damage** occurring elsewhere than at the said **Studio Premises**, ten per cent of the Sum Insured for the item after deducting therefrom the value of any **Studio Building** (exclusive of fixtures and fittings) insured thereby.

This extension does not apply to **Property Insured**:

- a. if and so far as it is otherwise insured;
 - b. as regards loss or damage occurring whilst the **Property Insured** is temporarily removed to motor vehicles or motor chassis not licensed for normal road use;
 - c. held by the **Insured** in trust, other than machinery and plant.
2. Documents and Computer Systems Records.
Any Insurance under this Section on computer systems records, deeds and other documents (including stamps thereon) manuscripts, plans and writings of every description and books (written and printed) is extended to include such property for an amount not exceeding ten per cent of the insured value thereof whilst temporarily removed to any premises not in the **Insured's** occupation or whilst in transit by road, rail or inland waterway all in Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man.

Unauthorised Use of Utilities Clause

The cost of metered electricity, gas or water for which the **Insured** are legally responsible arising from its unauthorised use by persons taking possession keeping possession or occupying the **Property Insured** without the **Insured's** authority provided that the **Insured** shall take all practical steps to terminate such unauthorised use as soon as it is discovered provided that the maximum amount payable under this Clause shall not exceed in any one **Period of Insurance** GBP 10,000.

Utilities Equipment Clause

The insurance by each item of **Property Insured** extends to cover telephones, gas, water and electric instruments, meters, piping, cabling and accessories including similar property in the adjoining yards and roadways or underground (and pertaining to any **Studio Building** insured by this section), all belonging to the **Insured** or for which the **Insured** is responsible.

Unoccupied Buildings Clause

- a) Whenever the **Property Insured** by this Section is **Unoccupied** *Special Endorsement L (Unoccupancy Condition)* will apply
- b) The **Insurers** must be notified in writing immediately if any **Unoccupied** building or **Unoccupied** portion of a **Studio Building** insured hereby becomes occupied or any occupied building becomes **Unoccupied** and a suitable extra premium paid if required.

Conditions Applying to Section 2

Machinery Maintenance Condition

It is a condition precedent to liability that any vessel, machinery or apparatus or its contents belonging to or under the control of the **Insured** which requires to be examined to comply with any Statutory Regulations cover against **Damage** caused by an explosion thereof is subject to the provision that such vessel, machinery or apparatus shall be the subject of a policy or contract providing the required inspection service.

Section 3 – Business Interruption

(operative only if stated in the **Schedule**)

Operative Clause

Applicable other than to **Accounts Receivable**;

Insurers agree that if any **Property Insured** suffers **Damage** and in consequence the **Business** be interrupted or interfered with then **Insurers** will pay to the **Insured** in respect of each item in the **Schedule** the amount of loss resulting from such interruption or interference provided that:

- a) at the time of the happening of the **Damage** there shall be in force an insurance covering the interest of the **Insured** in the **Property Insured** against such **Damage** and that:
 - i) payments shall have been made or liability admitted therefore or
 - ii) payment would have been admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount
- b) the liability of **Insurers** under this Section shall not exceed:
 - i) in the whole the total **Sum Insured** or in respect of any item its **Sum Insured** at the time of the **Damage**
 - ii) the **Sum Insured** remaining after deduction for any other interruption or interference consequent upon **Damage** occurring during the same **Period of Insurance** unless **Insurers** shall have agreed to reinstate any such **Sum Insured** adjusted in accordance with the *Inflation Protection Clause* if applicable.

Applicable to **Accounts Receivable**:

Insurers agree that if any of the **Insured's** books of account or other business books or records at the **Studio Premises** be **Damaged** as to render it impossible for the **Insured** to obtain from **Customers** all the sums due to them and outstanding at the date of the **Damage** then **Insurers** will pay to the **Insured** the amount they may be entitled to recover under the provisions of this Section provided the liability of **Insurers** under this Section shall not exceed:

- a) in the whole the total **Sum Insured** or in respect of any item its **Sum Insured** at the time of the **Damage**
- b) the **Sum Insured** remaining after deduction for any other interruption or interference consequent upon **Damage** occurring during the same **Period of Insurance** unless **Insurers** shall have agreed to reinstate any such **Sum Insured**

adjusted in accordance with the *Inflation Protection Clause* if applicable.

Basis of Settlement

Gross Profit

The insurance under this item is limited to loss of **Gross Profit** due to;

- i) reduction in **Turnover** and
- ii) Increase in Cost of Working

and the amount payable as indemnity thereunder shall be:

- a) in respect of reduction in **Turnover** the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** shall fall short of the **Standard Turnover** in consequence of the **Damage**
- b) in respect of Increase in Cost of Working the additional expenditure (subject to the provisions of the *Uninsured Working Expenses Clause*) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction thereby avoided

less any sum saved during the Indemnity Period in respect of such of the charges or expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage provided that if the Sum Insured by the item on Gross Profit be less than the sum produced by applying the Rate of Gross Profit to the annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds 12 months) the amount payable shall be proportionately reduced.

Accounts Receivable

The insurance under this item is limited to;

- i) loss of **Accounts Receivable** and
- ii) additional expenditure

and the amount payable as indemnity thereunder shall be:

- a) in respect of loss of **Accounts Receivable** the difference solely due to the **Damage** between the amount of the **Accounts Receivable** at the date of the **Damage** and the total amount received in payment of them during the 12 months after the **Damage**
- b) in respect of additional expenditure the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Accounts Receivable** which but for that expenditure would have occurred in consequence of the **Damage** but not exceeding the amount which would otherwise have been payable under (a) above

provided that if at the time of the **Damage** the **Sum Insured** by this item be less than the total amount of the **Accounts Receivable** the amount payable shall be proportionately reduced.

Extensions to Section 3

Automatic Reinstatement of Sum Insured Extension

In the event of loss the **Sum Insured** by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by **Insurers** or by the **Insured** undertake to pay such necessary premiums as may be required for such reinstatement from that date.

Contract Sites Extension

Any situation in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, not in the occupation of the **Insured**, where the **Insured** is carrying out a contract. Provided that the maximum amount payable shall not exceed GBP 25,000 in respect of any one event.

Exhibition Sites Extension

Any situation in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, not in the occupation of the **Insured**, where the **Insured** is exhibiting their goods for sale. Provided that the maximum amount payable shall not exceed GBP 25,000 in respect of any one event.

Inflation Protection Extension

Insurers will adjust the **Sum Insured** in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted **Sum Insured**.

Payments on Account Extension

Payments on account may be made to the **Insured** monthly during the **Indemnity Period** if desired.

Prevention of Access Extension

Subject to the conditions of this Section loss resulting from interruption of or interference with the **Business** in consequence of **Damage** to property in the vicinity of the **Studio Premises, Damage** to which shall prevent or hinder the use of the **Studio Premises** or access thereto whether the **Studio Premises** or **Property Insured** therein shall be **Damaged** or not (but not excluding **Damage** to property of any supply undertaking from which the **Insured** obtain electricity, gas or water or telecommunications services which prevents or hinders the supply of such services) shall be deemed to be **Damage**.

Unspecified Customers Extension

The Insurance by this Section is extended to include loss as insured hereunder directly resulting from interruption of or interference with the **Business** at the premises of any of the **Insured's Customers** situated within the United Kingdom. Provided that the maximum amount payable shall not exceed GBP 25,000 in respect of any one event.

Unspecified Suppliers and Storage Sites Extension

The Insurance by this Section is extended to include loss as insured hereunder directly resulting from interruption of or interference with the **Business** at the premises of any of the **Insured's** suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any supply undertaking from which the **Insured** obtains electricity, gas or water or telecommunication services and premises not in the occupation of the **Insured** where property of the **Insured** is stored situated within the United Kingdom. Provided that the maximum amount payable shall not exceed GBP 25,000 in respect of any one event.

Additional Clauses applying to Section 3

Alternative Trading Clause

If during the **Indemnity Period** goods shall be sold accommodation provided or services shall be rendered elsewhere than at the **Studio Premises** for the benefit of the **Business** either by the **Insured** or others on the **Insured's** behalf the money paid or payable in respect of such sales accommodation or services shall be brought into account in arriving at the **Turnover** during the **Indemnity Period**.

Fines, Damages and Liabilities Clause

The **Insurers** shall not be liable for any loss due to fines, penalties, damages or liabilities incurred by the **Insured**.

New Business Clause

For the purpose of any claim arising from **Damage** occurring before the completion of the first years trading of the **Business** at the **Studio Premises** the terms **Rate of Gross Profit**, **Annual Turnover**, **Standard Turnover**, shall bear the following meanings and not as stated in the *General Definitions*;

Rate of Gross Profit

The **Rate of Gross Profit** earned on the **Turnover** during the period between the date of the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have effected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Annual Turnover

The proportional equivalent for a period of 12 months of the **Turnover** realised during the period between the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have effected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Standard Turnover

The proportional equivalent for a period equal to the **Indemnity Period** of the **Turnover** realised during the period between the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have effected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Professional Accountants Clause

Any particulars or details contained in the **Insured's** books of account or other business books or documents which may be required by **Insurers** under part © of *Claims – Insured's Duties* for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the **Insured** and their report shall be prima facie evidence of the particulars and details to which such report relates

Insurers will pay to the **Insured** the reasonable charges payable by the **Insured** to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by **Insurers** under part c) of *Claims – Insured's Duties* and reporting that such particulars or details are in accordance with the **Insured's** books of account or other business books or documents provided that the sum of the amount payable under this Clause and the amount otherwise payable under the Section shall in no case exceed the liability of **Insurers** as stated.

Uninsured Working Expenses Clause

If any working expenses of the **Business** be not insured by this Section (having been deducted in arriving at the **Gross Profit** as defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of any additional expenditure shall be brought into account which the **Gross Profit** bears to the sum of the **Gross Profit** and the Uninsured Working Expenses

General Exclusion Clauses applying to Sections 1, 2 & 3

Asbestos Exclusion Clause

- 1) This **Policy** only insures asbestos physically incorporated in an insured building or structure, and then only provides indemnity in respect of that part of the asbestos which has been physically **Damaged** during the **Period of Insurance** by one of these Listed Perils;

Fire, lightning, explosion, aircraft, riot or civil commotion, earthquake, subterranean fire, storm or flood, escape of water, impact, sprinkler leakage, subsidence.

This coverage is subject to all limitations in the **Policy** to which this Exclusion is attached and in addition to each of the following specific limitations;

- a) the said building or structure must be insured under this **Policy** for **Damage** by a Listed Peril.
b) the Listed Peril must be the immediate sole cause of the **Damage** to the asbestos.
c) the **Insured** must report to the **Insurers** the existence and cost of the **Damage** as soon as practicable after the Listed Peril first **Damaged** the asbestos.

However this **Policy** does not insure any such **Damage** first reported to the **Insurers** more than 12 (twelve) months after the expiration or termination of the **Period of Insurance**.

This **Policy** shall provide no cover (whether for physical **Damage** business interruption delay of repair or other consequential loss) in respect of;

- i) wear and tear or inherent defect, quality or vice in or of any asbestos
ii) any compliance with or breach of any legal or other duty or obligation (including without limitation any duty arising from any contract or statute, or any instruction, request or order of any court or governmental or regulatory authority) of any person in connection with the design manufacture installation use retention treatment management repair replacement or removal of any asbestos (**Damaged** or otherwise) or
iii) any asbestos which the Listed Peril has not physically **Damaged**.
2) Except as set forth in the foregoing Part A. of this Exclusion, this **Policy** does not insure asbestos or any interest relating thereto.

Contamination and Pollution Exclusion Clause

1. This **Policy** shall not cover any loss or **Damage** due to contamination, sooting, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease including but not limited to foot and mouth disease, pollution, adulteration or impurification or due to any limitation or prevention of the use of objects because of hazards to health.

2. This Exclusion does not apply if such loss or **Damage** arises out of one or more of the following perils;

- i) Fire, lightning, explosion, impact of aircraft
ii) vehicle impact, sonic boom
iii) accidental escape of water from any tank, apparatus or pipe
iv) riot, civil commotion, malicious damage
v) storm, hail
vi) flood inundation
vii) earthquake
viii) landslide, subsidence
ix) pressure of snow, avalanche
x) volcanic eruption

3. All other terms and conditions of this **Policy** shall be unaltered and especially the exclusions shall not be superseded by this clause.

Electronic Data Endorsement

- 1) Electronic Data Exclusion

Notwithstanding any provision to the contrary within this **Policy** or any endorsement thereto, it is understood and agreed as follows;

- a) The **Insurers** shall not be liable for any loss, damage, destruction, distortion, erasure, corruption or alteration of **Electronic Data** from any cause whatsoever (including but not limited to **Computer Virus**) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom regardless of any other cause or event contribution concurrently or in any other sequence to the loss.

Electronic Data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Computer Virus means a set of corrupting harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code programmatic or otherwise that propagate themselves through a computer system or network of whatsoever nature. **Computer Virus** includes but is not limited to "Trojan Horses" "worms" and "time or logic bombs".

- b) However, in the event that a peril listed below results from any matters described in the above paragraph, this **Policy** subject to all its terms conditions and exclusions will cover physical damage occurring during the **Period of Insurance** to the **Property Insured** by the original policy directly caused by such listed peril.

Listed Perils;

- i) Fire
ii) Explosion

- 2) Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the **Policy** or any endorsement thereto, it is understood and agreed as follows;

Should electronic data processing media insured by this **Policy** suffer physical loss or **Damage** insured by this **Policy**, then the basis of valuation shall be the cost of the blank media plus the costs of copying the **Electronic Data** from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such **Electronic Data**. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this **Policy** does not insure any amount pertaining to the value of such **Electronic Data** to the **Insured** or any other party, even if such **Electronic Data** cannot be recreated gathered or assembled.

Institute Radioactive Contamination Exclusion Clause

This clause shall be paramount and shall override anything contained in this **Policy** inconsistent therewith:

In no case shall this **Policy** cover loss **Damage** liability or expense directly or indirectly caused by or contributed to or arising from;

- i) ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
- iii) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

Micro-Organism Exclusion Clause

This **Policy** does not cover any loss, **Damage**, claim, cost, expenses or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores or other micro-organism of any type, nature or description including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless whether there is;

- i) any physical loss or **Damage** to insured property
- ii) any **Defined Peril** or cause whether or not contributing concurrently or in any way sequence
- iii) any loss of use occupancy or functionality
- iv) any action required including but not limited to repair replacement removal cleanup abatement disposal relocation or steps taken to address medical or legal concerns

This Exclusion replaces and supersedes any provision in this **Policy** that provides insurance, in whole or in part, for these matters.

Northern Ireland Overriding Exclusion

Notwithstanding anything within the **Policy** or in any extensions thereof it is hereby declared and agreed that as an exclusion overriding all other terms (including the nature and terms of perils insured against) this **Policy** does not cover loss or destruction of or **Damage** to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence directly or indirectly of;

- i) civil commotion
- ii) **Terrorism**

In any action suit or other proceedings where **Insurers** allege that by reason of the provisions of this exclusion any loss, destruction or **Damage** or **Consequential Loss** is not covered by this **Policy** the burden of proving that such loss is covered shall be upon the **Insured**.

Nuclear Energy Risks Exclusion Clause

This **Policy** shall exclude Nuclear Energy Risks whether such risks are written directly and/or via Pools and/or Associations.

For the purpose of this **Policy** Nuclear Energy Risks shall be defined as all first party and or third party insurances in respect of;

- i) nuclear reactors and nuclear power stations or plant.
- ii) any other premises or facilities whatsoever related to or concerned with:
 - a) the production of nuclear energy or
 - b) the production or storage or handling of nuclear fuel or nuclear waste
- iii) any other premises or facilities eligible for insurance by any local Nuclear Pool and/or Association.

Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this **Policy** or any endorsement thereto it is agreed that this **Policy** excludes loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, arising out of or in connection with any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

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

If **Insurers** allege that by reason of this exclusion, any loss, **Damage**, cost or expense is not covered by this **Policy** the burden of proving the contrary shall be upon the **Insured**

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

War and Civil War Exclusion Clause

Notwithstanding anything to the contrary contained herein this **Policy** does not cover loss or **Damage** directly or indirectly occasioned by happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

Special Endorsements applying to Sections 1, 2 & 3

The following Special Endorsements are applicable only if the corresponding letter is shown in the **Schedule**.

A - Flat Roof Maintenance Condition

It is a condition precedent to liability in respect of **Damage** by storm, tempest and flood that any flat felted roof portion of the **Studio Premises** shall have been inspected at least once every 2 years by a qualified builder or property surveyor and any defects brought to light by that inspection shall be repaired immediately.

B - Metal Workers Waste Condition

It is a condition precedent to liability that all oily and/or greasy waste and used cleaning cloths which remain in the **Studio Buildings** overnight will be kept in metal receptacles with metal lids and removed from the **Studio Buildings** at least once a week.

C - Minimum Security Requirements (A)

- a) It is a condition precedent to liability under this **Policy** that all protections provided for the safety of the **Studio Premises** shall be maintained in good order and shall not be withdrawn altered or varied without the prior consent of the **Insurers** and shall be in full and effective operation when the **Studio Premises** are closed for **Business** or left unattended, and at all other appropriate times
- b) It is a condition precedent to liability under this **Policy** that any alarm and/or system forming part of the protections shall be maintained in full and efficient working order in accordance with the manufacturer's recommendations
- c) In the event of the **Insured** receiving any notification;
- that the police authority attendance or any contractually provided attendance in response to alarm signals and/or calls from any alarm system may be withdrawn or the level of response reduced or delayed or
 - from a Local Authority or Magistrate imposing any requirement for abatement of nuisance in respect of any alarm system or
 - that any alarm system cannot be returned to or maintained in full working order

then with immediate effect;

- it shall be a condition precedent to liability under this **Policy** that the **Insured** shall notify **Insurers** as soon as possible, at which time **Insurers** shall reserve the right to vary terms or cancel cover provided under this **Policy**
- it shall be a condition precedent to liability under this **Policy** that the **Insured** shall comply with any requirements that **Insurers** impose in response to such notice.

D - Minimum Security Requirements (B)

It is a condition precedent to liability that **Damage** caused by theft or attempted theft is not covered unless;

- the Minimum Security Requirements (A) is complied with
- the intruder alarm is installed and put into full and effective operation at night and whenever the **Studio Premises** are closed for business or left unattended. We will not regard the intruder alarm as effective if the specification or system record provides for a telephone line, direct line or central monitoring station warning system and the **Insured** have had notice of the withdrawal of the Police, telephone or central monitoring station service and such service has actually been withdrawn
- the intruder alarm is maintained under contract by a company which is either included in the official list of recognised firms of the National Approval Council for Security Systems (NACOSS), or the Security System and Alarm Inspections Board (SSAIB) or approved by **Insurers**
- all keys of the intruder alarm are removed from the **Studio Premises** at night and whenever they are closed for business or left unattended. Where the **Insured** or an **Employee** occupies part of the **Studio Premises** for residential purposes, the keys must be removed from the **Business** part of the **Studio Premises**.

E - Minimum Security Requirements (C)

It is a condition precedent to liability that **Damage** caused by theft or attempted theft is not covered unless;

- the Minimum Security Requirements (A) is complied with
- the intruder alarm provides for a police telephone line, direct line or central monitoring station warning system installed and put into full and effective operation at night and whenever the **Studio Premises** are closed for business or left unattended. We will not regard the intruder alarm as effective if the **Insured** have had notice of the withdrawal of such service and such service has actually been withdrawn
- the intruder alarm is maintained under contract by a company which is either included in the official list of recognised firms of the National Approval Council for Security Systems (NACOSS), or the Security System and Alarm Inspections Board (SSAIB) or approved by **Insurers**
- all keys of the intruder alarm are removed from the **Studio Premises** at night and whenever they are closed for business or left unattended. Where the **Insured** or an **Employee** occupies part of the **Studio Premises** for residential purposes, the keys must be removed from the **Business** part of the **Studio Premises**.

F – Money in Transit Condition

It is a condition precedent to liability that where **Money** in excess of GBP 2,500 are in transit the items will be escorted as follows:

Amount in Transit
GBP 2,500 – GBP 5,000
GBP 5,001 – GBP 7,500
GBP P 7,501 – GBP 10,000
GBP 10,001 and over

Minimum Escort
2 able bodied and responsible **Insured Persons**
3 able bodied and responsible **Insured Persons**
4 able bodied and responsible **Insured Persons**
Approved Security Company

G - Paint Spraying Warranty

It is a condition precedent to liability that all spraying of paints or varnishes with a flash point below 32 degrees centigrade will be carried out in an area enclosed by non-combustible materials and extraction to the open air and any electrical installation including that for extraction will be of flameproof design and any heating will be of the black-heat type and with fully enclosed elements.

It is also a condition precedent to liability that;

- a) only one days supply of flammables will be kept in the spraying area
- b) all other flammables will be kept in a designated enclosed steel bin or if the stocks of same are substantial they will be kept in a store with high and low level vents to the open air or forced flameproof extractor at floor level
- c) all lighting will also be flameproof
- d) smoking will be prohibited in the areas where processes are carried and signs to this effect will be prominently displayed.

H - Subsidence Ground Heave and Landslip Extension

Notwithstanding *Exclusions 7(a) and 7(b)* the insurance by Sections 1 or 2 extends to cover **Damage** caused by Subsidence or Ground Heave of any part of the site on which the property stands or Landslip excluding;

- a) the first GBP 1,000 of each and every loss after the application of any Condition of Average
- b) **Damage** to yards, car parks, roads, pavements, walls, gates and fences unless also affecting a **Studio Building**
- c) **Damage** caused by or consisting of:-
 - i) the normal settlement or bedding down of new structures
 - ii) the settlement or movement of made-up ground
 - iii) coastal or river erosion
 - iv) defective design or workmanship or the use of defective materials
- d) **Damage** which originated prior to the inception of this cover
- e) **Damage** resulting from;
 - i) demolition, construction, structural alteration or repair of any property or
 - ii) groundwork or excavation at the **Studio Premises**

Special Conditions

Insofar as this insurance relates to **Damage** caused by Subsidence, Ground Heave or Landslip;

- a) The **Insured** shall notify the **Insurers** immediately they become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site
- b) The **Insurers** shall then have the right to vary the terms or cancel this cover.

I – Survey Condition

Cover hereon is strictly subject to receipt by **Insurers** of a satisfactory survey carried out by an authorised surveyor within 30 days of the inception date of this insurance or by a date to be agreed by the **Insurers** and advised to the **Insured**.

The **Insurers** reserve the right to cancel this insurance with immediate effect or impose special terms and conditions and/or revise the premium rate upon receipt of the survey.

The **Insured** shall implement the survey requirement(s) or as otherwise agreed by the **Insurers** within a period to be agreed by the **Insurers** and advised to the **Insured**.

If the **Insured** fails to implement the requirement(s) within the period agreed by the **Insurers** then all cover hereunder shall terminate at the end of said period.

J - Stillage Warranty

In respect of any basement or ground floor portion of the **Studio Premises** herein insured, it is a condition precedent to liability that all **Stock** and **Artwork** on the **Studio Premises** is stored on racks, shelves or stillages not less than 15 centimetres (6 inches) above floor level.

L - Unoccupancy Condition

It is a condition precedent to liability that when any **Studio Building** (or part thereof) are untenanted or **Unoccupied**;

- a) all gas, water and electricity mains supplies will be kept disconnected (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes)
- b) all water tanks, apparatus pipes and heating other than those connected to automatic sprinkler systems must be drained down
- c) all reasonable precautions are taken to ensure that the buildings are secure against entry by intruders including:-
 - i) securely locking and fastening all doors and windows
 - ii) any letter boxes being sealed
 - iii) setting all security and alarm protections in full operation and ensuring that the protections are in proper working order
- d) all waste refuse and other disused combustible materials will be cleared from the building and removed from the **Studio Premises** at least once a week
- e) tanks containing fuel or other flammable liquids must be drained and purged within 7 days of the **Studio Buildings** becoming **Unoccupied**
- f) the **Studio Buildings** must be inspected at least once every 7 days by the **Insured** or the **Insured's** nominee in order to inspect the **Studio Premises** both internally and externally and to carry out any work necessary to maintain the above security arrangements. A record will be kept of such inspections
- g) notice is to be given to **Insurers** when any untenanted or **Unoccupied** building (or part thereof) is again occupied

Insurers shall not be liable for any **Damage** or **Injury** arising out of or in connection with any works of alteration, demolition, refurbishment or renovation.

Defined Perils are hereby restricted to fire, lightning, aircraft and explosion only.

M - Use of Heat Warranty

It shall be warranted that the following special precautions will be complied with on each occasion of any work involving the use of blow lamps, blow torches, flame guns, hot air guns, electric gas or other welding equipment, or portable grinding equipment:

- (i) All blow lamps, blow torches and flame guns or hot air guns are to be lit in strict accordance with the manufacturer's instructions, not left unattended when lit and extinguished immediately after use;
- (ii) The area in which the work is to be carried out (including adjoining shafts or openings and the area on the other side of any wall or partition) is to be inspected to establish whether any combustible material (other than the property to be worked upon) is in danger of ignition either directly or by conduction of heat;
- (iii) Wherever practicable, all combustible material is to be removed to a distance of not less than 10 metres from the point of work and such material which cannot be removed is to be covered by overlapping sheets of non-combustible material or afforded equivalent protection;
- (iv) Suitable fire extinguishing appliances are to be kept available for immediate use at the point of work;
- (v) All portable grinders are to be switched on and used in strict accordance with the manufacturer's instructions and switched off when unattended and immediately after use;
- (vi) A person who is competent in the use of fire extinguishing appliances is to be appointed to act as a firewatcher in conjunction with the operative using the equipment and to remain in attendance until use of all such equipment has ceased and all torches have been extinguished and all portable grinders switched off*;
- (vii) Wherever practicable, gas cylinders not in use are to be kept outside the building in which the work is taking place or otherwise kept at least 15 metres from the point of work;
- (viii) Immediately following completion of each period of work and during the period of not less than thirty minutes following completion of each period of work, a thorough and continuous check that there is no fire or risk of fire is to be made of the whole area in which the work is to be carried out (including adjoining shafts or openings and the area on the other side of any wall or partition).

***Warranty (vi) is deemed not to apply when the Insured works alone as a sole trader**

N - Weekly Waste Condition

It is a condition precedent to liability that all combustible trade waste and refuse will be swept up daily and kept in bags or bins and removed from the **Studio Buildings** at least once a week.

Sections 4, 5 & 6 – Employers', Public and Products Liability

Operative Clause

The **Insurers** will indemnify the **Insured** against their legal liability to pay damages (including claimants' costs, fees and expenses).

This indemnity applies only to such legal liability as defined by each insured Section of this **Policy** arising out of the **Artistic Practise** specified in the **Schedule**, subject always to the terms, conditions and exclusions of such Section and of the **Policy** as a whole.

Indemnity To Others

The indemnity granted extends to:

1. managerial or supervisory Employees of the **Insured** in their business capacity for legal liabilities arising out of the performance of the **Business** and any director or partner of the **Insured** in respect of private work undertaken by any **Person Employed** for such director or partner with the prior consent of the **Insured**
2. the officers, committees and members of the **Insured's** canteen, social, sports, medical, fire fighting, security services and welfare organisations for legal liabilities incurred in their respective capacity as such
3. any person or firm for legal liabilities arising out of the performance of a contract with the **Insured** constituting the provision of labour only
4. any principal for legal liabilities arising out of work carried out by the **Insured** under a contract or agreement in respect of which the **Insured** would have been entitled to indemnity under this **Policy** if the claim had been made against the **Insured**
5. the personal representatives of any person or party indemnified by reason of this Clause 3 in respect of legal liability incurred by such person or party.

Provided always that all such persons or parties shall observe, fulfil and be subject to the terms, conditions and exclusions of this **Policy** as though they were the **Insured**.

Cross Liabilities

Each person or party granted indemnity by this **Policy** is separately indemnified in respect of claims made against any of them by any other subject to the **Insurers** total liability not exceeding the stated **Limits of Indemnity**.

Limits Of Indemnity

Section 4

The **Insurers** total liability to pay damages (including claimants' costs, fees and expenses) shall not exceed the sum stated in the **Schedule** in respect of any one claim against the **Insured** or series of claims against the **Insured** arising out of one occurrence.

Sections 5 And 6

The **Insurers** total liability to pay damages (including claimants' costs, fees and expenses) shall not exceed the sum stated in the **Schedule** against each Section in respect of any one occurrence or series of occurrences arising from one originating cause

Provided always that the **Limit of Indemnity**:

1. under Section 5 in respect of liability arising out of **Pollution** applies to the total amount of damages (including claimants' costs, fees and expenses) payable in respect of all occurrences during the **Period of Insurance**
2. under Section 6 applies to the total amount of damages (including claimants' costs, fees and expenses) payable in respect of all occurrences during the **Period of Insurance**.

Defence Costs

The **Insurers** will also pay all **Defence Costs**.

Defence Costs include legal expenses:

incurred by or awarded against the **Insured** arising out of any prosecution of the **Insured**:

1. for breach or alleged breach of Part 1 of the United Kingdom Health & Safety at Work Act 1974 (and/or legislation of similar effect)
2. for any offence under Part II of the Consumer Protection Act 1987 and/or Part II of the Food Safety Act 1990 (and/or legislation of similar effect)
Provided that **Insurers** shall not be liable for any fines or penalties imposed as a consequence of such prosecution.
3. arising out of representation at any Coroner's Inquest or Fatal Accident Inquiry
4. arising out of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this **Policy**

Defence Costs will be payable in addition to the **Limits of Indemnity** except in respect of Section 4 when the **Limit of Indemnity** will be inclusive of **Defence Costs** unless this **Policy** is specifically endorsed to the contrary.

Compensation For Court Attendance

In the event of any director, partner or Employee of the **Insured** attending court as a witness at the request of the **Insurers** in connection with a claim which is the subject of indemnity under this **Policy** the **Insurers** will provide compensation to the **Insured** at the following rates for each day on which attendance is required:

- a. any director or partner £250
- b. any Employee £100

Corporate Manslaughter Legal Defence Costs Extension

Subject to the written consent and the control of the **Insurers** and subject to all other Conditions and Exclusions applicable to this **Policy**, the indemnity provided under this **Policy** is extended to indemnify the **Insured**, and if the **Insured** so requests, any **Person Employed** or director or partner of the **Insured**, in respect of legal costs incurred in the defence of any criminal proceedings brought, or in an appeal against conviction arising from such proceedings, in respect of manslaughter or culpable homicide or alleged manslaughter or culpable homicide, including a breach of the Corporate Manslaughter and Corporate Homicide Act 2007 and any amending and/or subsequent legislation provided that an offence is alleged to have been committed during the **Period of Insurance** and in the course of the **Business**.

The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one **Period of Insurance**.

This Extension shall not apply:

- a. to fines or penalties of any kind or the cost of implementing any remedial order or publicity order.
- b. where indemnity is provided by any other Insurance.

Section 4 – Employers' Liability

(operative only if stated in the **Schedule**)

Section 4 – Indemnity

The **Insured** is indemnified by this Section in accordance with the Operative Clause in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured** and occurring during the **Period of Insurance**.

Specific Exclusions applying to Section 4

This Section does not apply to or include legal liability:

1. incurred in circumstances where any road traffic legislation requires compulsory insurance or security and an indemnity is afforded to the **Insured** by any such insurance or security
2. arising out of work on and/or visits to any offshore rig and/or installation and/or platform from the time of embarkation onto a conveyance at the point of final departure to such offshore rig and/or installation and/or platform until disembarkation from the conveyance from such offshore rig and/or installation and/or platform onto land.
3. arising out of **Terrorism** except to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to employees, in which case a sub-limit of £5,000,000 shall apply.
4. arising out of or related to the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos, except to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to employees, in which case a sub-Limit of Indemnity of £5,000,000 shall apply.

It is a condition precedent to the liability of **Insurers** that the **Insured** do not manufacture mine process distribute test remediate remove store dispose sell or use asbestos or materials or products containing asbestos.

Section 4 – Compulsory Insurance Clause

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law enacted in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands relating to compulsory insurance of liability to employees.

If however, there has been non-observance of any **Policy** conditions by the **Insured**, and the **Insurers** shall have paid any sum which would not have been paid but for the provisions of such law then the **Insured** shall forthwith repay such sum to the **Insurers**.

Section 5 – Public Liability

(operative only if stated in the **Schedule**)

Section 5 – Indemnity

The **Insured** is indemnified by this Section in accordance with the Operative Clause for and/or arising out of accidental **Injury** and/or **Damage** occurring during the **Period of Insurance**.

Specific Exclusions applying to Section 5

This Section does not apply to or include legal liability:

1. in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured**.
2. arising out of or in connection with any **Product**.
3. arising out of the ownership, possession or use by or on behalf of the **Insured**, or any person or party entitled to indemnity, of any motor vehicle or trailer for which compulsory insurance or security is required by legislation, other than legal liability:
 - a. caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer in circumstances where compulsory insurance or security is not required by any legislation
 - b. arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer except where indemnity is provided by any motor insurance contract
 - c. arising out of any motor vehicle or trailer temporarily in the **Insureds** custody or control for the purpose of parking except liability for which compulsory insurance or security is required by any legislation
4. arising out of the ownership, possession or use by or on behalf of the **Insured** of any aircraft, hovercraft, offshore installation and/or rig and/or platform or watercraft (other than watercraft not exceeding 10 metres in length whilst on inland waterways)
5. for **Damage** to property owned, leased to, hired by, under hire purchase, on loan to, held in trust by or otherwise in the **Insureds** care, custody or control other than:
 - a. clothing and personal effects (including vehicles and their contents) of Employees and visitors
 - b. premises (including contents therein) temporarily occupied by the **Insured** for work therein or thereon but no indemnity shall be granted for **Damage** to that part of the property on which the **Insured** is or has been working and which arises out of such work
 - c. premises tenanted by the **Insured** provided always that liability for such **Damage** is not assumed by the **Insured** under agreement where liability would not have existed in the absence of the agreement
6. arising out of breach of professional duty, or wrongful or inadequate advice given separately for a fee or in circumstances where a fee would normally be charged.
7. arising from the use of stage hypnotism, hypnotherapy or the like.
8. for the creation and installation of any public artworks after the point of handover of the work to the commissioner.
9. any activity undertaken more than 10 metres above ground or floor level
10. any activity undertaken at a **Hazardous Premises**
11. arising from or in connection with use on third party premises of pyrotechnics or explosives or any process involving fire or explosion other than use of flash cotton, flash string or flash paper or the use of pottery ovens or kilns.

Section 6 – Products Liability

(operative only if stated in the **Schedule**)

Section 6 – Indemnity

The **Insured** is indemnified by this Section in accordance with the Operative Clause for and/or arising out of accidental **Injury** and/or **Damage** occurring during the **Period of Insurance** and arising out of or in connection with any **Product**.

Exclusions applying to Section 6

This Section does not apply to or include legal liability:

1. in respect of **Injury** to any **Person Employed** arising out of and in the course of employment by the **Insured**.
2. for costs incurred in the repair, reconditioning or replacement of any **Product** or part thereof which is alleged to be defective
3. arising out of the recall of any **Product** or part thereof
4. arising out of any **Product** which with the **Insured's** knowledge is intended for incorporation into the structure, machinery or controls of any aircraft, other aerial device, hovercraft or waterborne craft
5. arising by virtue of a contract or agreement but which would not have arisen in the absence of such contract or agreement
6. arising from circumstances known to the **Insured** prior to the inception date of this Insurance
7. arising from the failure of any **Product** to perform its intended function.

General Exclusions Applying To Sections 4, 5 & 6

General Exclusions Applicable To Sections 4, 5 & 6

Sections 4, 5 and 6 do not apply to or include legal liability:

1. arising out of any activities undertaken by the **Insured** within the United States of America or Canada
2. 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 thereofProvided that in respect of claims arising out of **Injury** which form the subject of Indemnity under Section 8 this Exclusion shall only apply to liability:
 - i. of any party to whom Indemnity is granted under part 4 of the *Indemnity to Others* clause (or their personal representatives)
 - ii. assumed by the **Insured** by agreement which would not have attached in the absence of such agreement
3. for any award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards or damages, or in any other form whatsoever
4. for the **Excess** stated in the **Schedule** in respect of the first amount of each claim arising out of **Damage**
5. which forms the subject of insurance by any other Policy and this **Policy** shall not be drawn into contribution with such other insurance.

General Exclusions Applicable Only To Sections 5 & 6

Sections 5 and 6 do not apply to or include legal liability:

6. arising out of the deliberate, conscious or intentional disregard by the **Insured's** technical or administrative management of the need to take all reasonable steps to prevent **Injury** or **Damage**
7. arising out of liquidated damages clauses, penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties
8. arising out of **Pollution** of the atmosphere or of any water, land, buildings or other tangible property except to the extent that the **Insured** demonstrates that such **Pollution**:
 - a. was the direct result of a sudden, identifiable, unintended and unexpected incident occurring in its entirety at a specific time and place during the **Period of this Insurance**
 - b. was not the direct result of the **Assured** failing to take reasonable precautions to prevent such **Pollution**Provided always that all such **Pollution** which arises out of one incident shall be considered for the purposes of this **Policy** to have occurred at the time such incident takes place and that **Insurers** total liability to pay damages (including claimants' costs, fees and expenses) under this clause shall not exceed the **Limit of Indemnity** stated in the **Schedule** in the aggregate in respect of the **Period of Insurance**.
9. directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.
10. directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with an act of **Terrorism**. These Sections also exclude legal liability directly or indirectly occasioned by, happening through, in consequence of, arising out of, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**.
11.
 - a. directly or indirectly occasioned by, happening through, arising out of, resulting from or In connection with any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or
 - b. any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or
 - c. any obligation or duty to defend any actions directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergensIrrespective of the cause of such fungus, mildew, mould, spore(s) or allergens, and whenever or wherever occurring. For the purpose of this exclusion, **Injury** shall include mental anguish, mental injury and/ or emotional distress.
12. directly or indirectly caused by, resulting from or in connection with any component building material that must be removed, encapsulated, or otherwise abated because its presence or release is a hazard to human health.
13. arising from the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in consequence of a loss.

Special Endorsements Applying To Sections 4, 5 & 6

The following Special Endorsements are applicable only if the corresponding code is shown in the **Schedule**.

AUD1 – Audience Participation Exclusion

It is hereby noted and agreed that no liability will be accepted by the **Insurers** in respect of actual or alleged bodily injury arising out of participation in the **Insured's** work by members of the audience.

FILM1 - Hazardous Filming Exclusion

In respect of sections 4 and 5 of this policy, it is hereby noted and agreed that the indemnity will not apply to legal liability arising from and in connection with a Hazardous Filming Sequence unless such Hazardous Filming Sequence has been advised to and cover agreed by the **Insurers**.

For the purpose of this endorsement, Hazardous Filming Sequence shall mean any aerial or underwater filming, any activity taking place above 3 metres from ground or floor level, stunts, any special effect involving the use of fire or pyrotechnics, use of any action vehicles, marine crafts or aircraft and use of any animals (other than domestic pets supplied by a reputable animal supplier). Subject otherwise to the terms Exclusions and Conditions of the policy.

GR1 - Damage to Grounds Exclusion

It is hereby understood and agreed that this Policy does not indemnify the **Insured** for any liability arising out of damage to grounds.

HAW1 – Heat Application Warranty

It is warranted that the following special precautions will be complied with on each occasion of any work involving the use of blow lamps, blow torches, flame guns, hot air guns, electric gas or other welding equipment, or portable grinding equipment:

- (i) All blow lamps, blow torches and flame guns or hot air guns are to be lit in strict accordance with the manufacturer's instructions, not left unattended when lit and extinguished immediately after use;
- (ii) The area in which the work is to be carried out (including adjoining shafts or openings and the area on the other side of any wall or partition) is to be inspected to establish whether any combustible material (other than the property to be worked upon) is in danger of ignition either directly or by conduction of heat;
- (iii) Wherever practicable, all combustible material is to be removed to a distance of not less than 10 metres from the point of work and such material which cannot be removed is to be covered by overlapping sheets of non-combustible material or afforded equivalent protection;
- (iv) Suitable fire extinguishing appliances are to be kept available for immediate use at the point of work;
- (v) All portable grinders are to be switched on and used in strict accordance with the manufacturer's instructions and switched off when unattended and immediately after use;
- (vi) A person who is competent in the use of fire extinguishing appliances is to be appointed to act as a firewatcher in conjunction with the operative using the equipment and to remain in attendance until use of all such equipment has ceased and all torches have been extinguished and all portable grinders switched off*;
- (vii) Wherever practicable, gas cylinders not in use are to be kept outside the building in which the work is taking place or otherwise kept at least 15 metres from the point of work;
- (viii) Immediately following completion of each period of work and during the period of not less than thirty minutes following completion of each period of work, a thorough and continuous check that there is no fire or risk of fire is to be made of the whole area in which the work is to be carried out (including adjoining shafts or openings and the area on the other side of any wall or partition).

***Warranty (vi) is deemed not to apply when the Insured works alone as a sole trader**

NA1 – North American Inclusion Clause

It is hereby noted and agreed that General Exclusion 1 is deleted and of no effect.

In respect of claims happening in North America or where a claim is brought in North America

- a) there will be no indemnity under this policy for fines or penalties for aggravated exemplary or punitive damages
- b) there will be no indemnity under this policy in respect of any legal liability of whatsoever nature directly or indirectly caused or contributed to or occurring by the presence of Asbestos, Asbestos Containing Materials or Asbestos Dust or the release of Asbestos Dust or the exposure of persons buildings or property to Asbestos Asbestos Containing Materials or Asbestos Dust
- c) all costs and expenses of the claimant and the costs and expenses (incurred by the Insurer or with the Insurer's written consent) of any person entitled to indemnity are included within the Limit of Indemnity stated in the Schedule
- d) there will be no indemnity under this policy in respect of any legal liability caused by or arising out of pollution or contamination of buildings or other structures or of water or land or the atmosphere
- e) the Insurers will not pay the first £2,500 of any claim arising
- f) North America shall mean the United States of America or Canada or their territories or possessions or Puerto Rico

PAC1 - Premium Adjustment Clause

It is hereby understood and agreed that the premium paid for Sections 4, 5 & 6 of this policy is a minimum and deposit premium and that the actual premium will be calculated following receipts of declarations from the **Insured** of the actual turnover achieved and the total wages and payments paid to **Persons Employed** by the **Insured** during the **Period of Insurance**. The **Insured** warrants to provide such declarations within 30 days of the expiry of the **Period of Insurance**.

PP1 - Participant to Participant Exclusion

It is hereby understood and agreed that the Policy does not indemnify the **Insured** for liability arising out of or in connection with any participant to participant injury whilst participating in or practising for any event controlled organised sponsored or supervised by the **Insured** or for any immediate medical or surgical relief to any person so injured.

PP2 - Injury to Participant Exclusion

It is hereby understood and agreed that the Policy does not indemnify the **Insured** for liability arising out of or in connection with any accidental bodily injury to any participant or performer sustained whilst participating in or practising for any event controlled organised sponsored or supervised by the **Insured** or for any immediate medical or surgical relief to any person so injured.

PPE1 - Personal Protective Equipment Warranty

It is warranted that all **Persons Employed** are issued with and sign for appropriate personal protective equipment.

SC1 – Bona Fide Sub-Contractors Warranty

It is warranted that all sub-contractors engaged by the **Insured** maintain Employers' Liability and Public Liability policies that provide:

- a) Employers; Liability coverage with a limit of indemnity of not less than £10,000,000 any one occurrence
- b) Public Liability coverage with an indemnity limit of not less than the limits provided by this policy
- c) An indemnity to the **Insured** as principal

It is also warranted that the **Insured** does not assume by agreement any liability or potential liability that would not have attached to them in the absence of such agreement, including but not limited to, the assumption of any liability or potential liability on behalf of any bona fide sub-contractor, or the waiver of any rights of recourse against any bona fide sub-contractor.

UK1 - UK Jurisdiction Clause

It is hereby noted and agreed that the **Insurers** will indemnify the **Insured** only against claims brought in accordance with the law of the United Kingdom.

Policy General Conditions

General Conditions applying to Sections 1, 2 & 3

Alteration in Risk

The **Insured** must notify **Insurers** if after the commencement of this insurance there is any alteration in risk;

- a) by removal
- b) whereby the risk of **Damage** accident or liability is increased
- c) the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued
- d) whereby the **Insured's** interest ceases except by will or operation of law

Arbitration (Applicable to Sections 2 & 3 only)

If any difference shall arise as to the amounts 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 statutory provisions. 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 **Insurers**.

Average

If, at the time of any **Damage** to **Property Insured**, the **Sum Insured** specified on the **Schedule** by the relevant item is less than the full value of the **Property Insured** by that item, the amount payable by the **Insurers** will be proportionately reduced.

Cancellation

This **Policy** may be cancelled at any time at the request of the **Insured** in writing to the Intermediary who effected the **Policy**, and the premium hereon shall be adjusted on the basis of the **Insurers** receiving or retaining the premium calculated at the **Insurers** then current rates for short term insurance. Notwithstanding anything contained within the Survey Clause, this certificate may also be cancelled by or on behalf of the **Insurers** by 14 days notice given in writing to the **Insured** at his last known address, and the premium hereon shall be adjusted on the basis of the **Insurers** receiving or retaining pro rata premium. Notice shall be deemed to be duly received in the course of the post if sent by pre paid letter-post properly addressed.

Claims – Insured's Duties

On the happening of any event which may give rise to a claim the **Insured** shall;

- a) General - applicable to all Sections;
 - i) notify the **Insurers** immediately
 - ii) take all practicable steps to recover property lost and otherwise minimise the claim
 - iii) inform the Police immediately if the loss or **Damage** is caused by thieves malicious persons or vandals or by riot civil commotion strikes or labour disturbances
 - iv) give all information and assistance the **Insurers** may require in a timely manner
- b) Applicable to Sections 1 & 2;

Within 30 days or such further time as the **Insurers** may in writing allow deliver to the **Insurers** a written claim providing at their own expense all details proofs and information regarding the cause and amount of **Damage** as the **Insurers** may reasonably require together with details of any other insurances on any **Property Insured** by this **Policy** and (if demanded) a statutory declaration of the truth of the claim and of any related matters

No claim under this Section shall be payable unless the terms of this condition have been complied with
- c) Applicable to Section 3;
 - i) within 14 days after the expiry of the **Indemnity Period** or within such further time as the **Insurers** may in writing allow at their own expense deliver to the **Insurers** a statement setting out particulars of the claim together with details of all other insurances covering any part of the **Damage** or resulting loss of rental income
 - ii) the **Insured** shall at their own expense also provide the **Insurers** with such books of account and other business books vouchers invoices balance sheets and other documents proofs information explanations and other evidence as may reasonably be required by the **Insurers** for the purpose of investigating or verifying such claim together with (if demanded) a statutory declaration of the truth of the claim and of any related matter

No claim under this Section shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made shall be repaid to the **Insurers** immediately.

Claims - Insurers Rights

The **Insurers**;

- a) On the happening of **Damage** in respect of which a claim is made may without thereby incurring any liability or diminishing any of the **Insurers** rights under this **Policy** enter take or keep possession of the **Studio Premises** where such **Damage** has occurred and take possession of or require to be delivered to the **Insurers** any **Property Insured** and deal with such property for all reasonable purposes and in any reasonable manner

No property may be abandoned to the **Insurers** whether taken possession of by the **Insurers** or not.

- b) shall have full discretion in the conduct of any proceeding and in the settlement of any claim.

Change in Tenancy Clause

The **Insured** must advise the **Insurers** of all changes in tenancy or occupation within the **Property Insured**.

Conditions & Observance of Policy Terms

If the Insured breaches any warranty or condition precedent in this Policy, the Insurer's liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The Insurer will have no liability to the Insured for any loss which occurs, or which is attributable to something happening, during the period when the Insurer's liability is suspended.

Where:

- (i) there has been a failure to comply with a term (express or implied) of this Policy, other than a term which defines the risk as a whole; and
- (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time,

the Insurer cannot rely on the breach of such term to exclude, limit or discharge its liability if the Insured shows that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

E.U. Disclosure Clause

The Parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this insurance shall be subject to English Law.

Fraud

If the Insured makes a fraudulent claim under this Policy the Insurers shall not be liable to pay the Insured any sums in respect of the fraudulent claim. The Insurers may recover from the Insured any sums that the Insurers have already paid to the Insured in respect of the fraudulent claim. The Insurers may by notice to the Insured treat this Policy as terminated with effect from the date of the Insured's fraudulent act.

Identification

This **Policy** and the **Schedule** (which forms an integral part of this **Policy**) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this **Policy** or of the **Schedule** shall bear such specific meanings wherever they may appear.

Misrepresentation and Misdescription

The **Insured** is required to make a fair presentation of the risk to **Insurers**.

If the **Insured** breaches its duty to provide a fair presentation and any such breach was deliberate or reckless, **Insurers** may regard the Policy as void and are not required to return any paid Premium to the **Insured**.

If the breach was not deliberate or reckless, **Insurers'** remedy shall depend upon what **Insurers** would have done if the **Insured** had complied with the duty of fair presentation:

1. **Insurers** may regard the Policy as void if **Insurers** would not have entered into the Policy on any terms in the absence of the breach. In this case, the **Insurers** must return the premium paid.
2. If the **Insurers** would have entered into the Policy, but on different terms (other than terms relating to premium) the Policy is to be treated as if those different terms applied from the outset, if the **Insurer** so requires.
3. If the **Insurers** would have entered into the Policy but would have charged a higher premium the **Insurers** may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims).

Other Insurances and Average

a) Applicable to Sections 1 and 2;

- i) if at the time of any **Damage** there is any other insurance effected by or on behalf of the **Insured** covering any of the property **Damaged** the liability of the **Insurers** hereunder shall be limited to its rateable proportion of such **Damage**
- ii) if any other insurance shall be subject to any average (under insurance) condition this Section if not already subject to any Condition of Average shall be subject to Average in like manner
- iii) if any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably the liability of the **Insurers** hereunder shall be limited to that proportion of the **Damage** as the **Sum Insured** hereby bears to the value of the property.

b) Applicable to Section 3;

If at the time of any **Damage** resulting in a loss under this Section there be any other insurance effected by or on behalf of the **Insured** covering such loss or any part of it the liability of the **Insurers** hereunder shall be limited to its rateable proportion of such loss

Portable Heating Condition

It is a condition precedent to liability that there will be no use or storage on the **Studio Premises** of paraffin or portable gas heaters or containers unless specifically agreed by the **Insurers** prior to such use or storage.

Reasonable Precautions

The **Insured** shall;

- a) take all reasonable precautions to prevent occurrences which may give rise to **Damage** or accidents
- b) take all reasonable steps to comply with statutory requirements, obligations and regulations imposed by any authority
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require.

Reinstatement

If any **Property Insured** by Sections 1 & 2 is to be reinstated or replaced by the **Insurers** the **Insured** shall at their own expense provide all such plans, documents, books and information as may be reasonably required. The **Insurers** shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than its **Sum Insured**.

Several Liability Notice

The subscribing **Insurers** obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing **Insurers** are not responsible for the subscription of any co subscribing Underwriter who for any reason does not satisfy all or part of its obligations.

Subrogation

Any claimant under this **Policy** shall at the request and at the expense of the **Insurers** take and permit to be taken all necessary steps for enforcing rights against any other party in the name of the **Insured** before or after any payment is made by the **Insurers**.

The **Insurers** shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** at its own expense and for its own benefit any claim for indemnity or damages or otherwise.

General Conditions Applying To Sections 4, 5 & 6

(Conditions 1 to 5. are precedent to **Insurers** liability to provide Indemnity under this **Policy**)

1. The **Insured** shall give immediate notice in writing to the **Insurers** of any occurrence that may give rise to a claim under this **Policy** and shall give all such additional information as the **Insurers** may require. Every claim, writ, summons, notice of adjudication, referral notice or process and all documents relating thereto shall be forwarded to the **Insurers** immediately they are received.
2. No admission, offer, promise or payment shall be made or given by or on behalf of the **Insured** without the written consent of the **Insurers** who shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the **Insured** shall give all such information and assistance as the **Insurers** may reasonably require.
3. The **Insurers** may at any time pay to the **Insured** in connection with any claim or series of claims under this **Policy** to which a **Limit of Indemnity** applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the **Insurers** shall relinquish the conduct and control of and be under no further liability in connection with such claims except for the payment of **Defence Costs** incurred prior to the date of such payment (unless the **Limit of Indemnity** is stated to be inclusive of **Defence Costs**).

Provided that if the **Insurers** exercise the above option and the amount required to dispose of any claim or series of claims exceeds the **Limit of Indemnity** and such excess amount is insured either in whole or in part, with **Defence Costs** payable in addition to the **Limit of Indemnity** under this **Policy** then the **Insurers** will also contribute their proportion of subsequent **Defence Costs** incurred with their consent as the **Limit of Indemnity** bears to the amount paid to dispose of a claim.

4. The **Insured** shall give notice to the **Insurers** of any alteration or circumstance which materially affects the risks insured under this **Policy** and until the **Insurers** be advised of such alteration or circumstance and shall have expressly agreed in writing to accept liability for such altered risk and the **Insured** has paid or agreed to pay the additional premium (if any) the **Insurers** shall not be liable in respect of any claim or claims due wholly or partially to any such alteration or circumstance.
5. Where the premium is provisionally based on the **Insured's** estimates, the **Insured** shall keep accurate records and within 90 days of expiry of the **Period** of this Insurance declare such particulars as the **Insurers** require. The premium shall then be adjusted and any difference paid or allowed to the **Insured** as the case may be subject to any minimum premium that may apply. Where such estimates include remuneration to employees, the required declaration shall also include remuneration to all persons defined as **Persons Employed** by this **Policy**. Failure to declare such particulars to the **Insurers** shall entitle the **Insurers** to estimate if they so wish such particulars and to assess the further premium payment due calculated on such estimated particulars.
6. The **Insured** is required to make a fair presentation of the risk to **Insurers**. If the **Insured** breaches its duty to provide a fair presentation and any such breach was deliberate or reckless, **Insurers** may regard the Policy as void and are not required to return any paid Premium to the **Insured**. If the breach was not deliberate or reckless, **Insurers'** remedy shall depend upon what **Insurers** would have done if the **Insured** had complied with the duty of fair presentation:
 - i) **Insurers** may regard the Policy as void if **Insurers** would not have entered into the Policy on any terms in the absence of the breach. In this case, the **Insurers** must return the premium paid.
 - ii) If the **Insurers** would have entered into the Policy, but on different terms (other than terms relating to premium) the Policy is to be treated as if those different terms applied from the outset, if the **Insurer** so requires.
 - iii) If the **Insurers** would have entered into the Policy but would have charged a higher premium the **Insurers** may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims).
7. The **Insurers** may cancel this **Policy** by giving 30 days' notice in writing of such cancellation to the **Insured's** last known address.
8. If the **Insured** makes a fraudulent claim under this Policy the **Insurers** shall not be liable to pay the **Insured** any sums in respect of the fraudulent claim. The **Insurers** may recover from the **Insured** any sums that the **Insurers** have already paid to the **Insured** in respect of the fraudulent claim. The **Insurers** may by notice to the **Insured** treat this Policy as terminated with effect from the date of the **Insured's** fraudulent act.
9. Any phrase or word in this **Policy** and the **Schedule** will be interpreted in accordance with the law of England. The **Policy** and the **Schedule** shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this **Policy** or the **Schedule** shall bear such specific meaning wherever it may appear.

All disputes concerning the interpretation of this **Policy** are understood and agreed by both the **Insured** and the **Insurers** to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

10. **Contract (Rights of Third Parties) Act 1999 Clarification Clause**

A person who is not party to this contract of insurance has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any term of this contract of insurance, but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

11. **Data Protection Act 1998:**

It is understood by the **Insured** that any information provided to the **Insurers** regarding the **Insured** will be processed by the **Insurers**, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to Third Parties.

13. **E.U. Disclosure Clause (UK):**

Notice to the **Insured**:

The parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this insurance shall be subject to English Law.

General Definitions

Wherever the following words and phrases appear in the **Policy** they will always have the same meaning

Accounts Receivable

The total amount of the balances debited to **Customers** in the **Insured's** accounts and declared in the statement last given under the provisions of the *Premium Adjustment Clause* after equitable allowances have been made for bad debts and for amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Damage**) to **Customers** accounts in the period between the date of the said statement and the date of the **Damage**.

Annual Turnover

The Turnover during the 12 months immediately before the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have effected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Artists Materials

Materials intended for incorporation into **Artwork** including un-used packing materials belonging to the **Insured**.

Artwork

Completed Artworks, Works In Progress and **Artists Materials**.

Auditors Fees

Necessary and reasonable fees payable by the **Insured** to their auditors or professional accountants (being Auditors or Professional Accountants regularly acting as such for the **Insured** at the time the **Property Insured** was **Damaged**) for producing such particulars or details contained in the **Insured's** book of accounts or other business documents or such other proofs, information or evidence as may be required by the **Insurers**.

Business

means the artistic practice stated in the **Schedule** and conducted at or from premises in Great Britain, Northern Ireland, The Channel Islands or the Isle of Man and shall include:

1. the ownership, repair and maintenance of the Assureds own property
2. provision and management of canteen, social, sports and welfare organisations for the benefit of any Person Employed and medical, firefighting, and security services
3. private work undertaken by any Person Employed for any director or partner of the Insured with the prior consent of the Assured.

Business Hours

The **Insured's** usual working hours during which the **Insured** or any person entrusted by the **Insured** with the **Money** and **Non Negotiable Items** are on the **Studio Premises** for the purpose of the **Business**.

Compensation

The amount payable under the appropriate item specified in the **Schedule**.

Completed Artworks

Shall mean:

- a) Works of art or craftwork the property of the **Insured**, which has been completed and offered for sale; or
- b) Commissioned works of art deemed to be completed under the terms of the contract between the **Insured** and the commissioner.

Computer Virus

A corrupting instruction that propagates itself via a computer system or network.

Consequential Loss

Loss resulting from interruption of or interference with the **Business** carried on by the **Insured** at the **Studio Premises** in consequence of loss or destruction of or **Damage** to property used by the **Insured** at the **Studio Premises** for the purpose of the **Business**.

Customers

Any customers or buyers of the **Insured** who obtain goods or services from the **Insured** on a credit basis.

Damage(d) (Sections 1 – 3 only)

Except where expressly provided otherwise, loss, destruction or damage to the **Property Insured**.

Damage (Sections 4 – 6 only)

means loss of possession of or damage to tangible property.

Death

Injury which within 12 months from its occurrence is the sole and direct cause of death.

Defence Costs

mean costs, fees and expenses incurred by the Insured with the written consent of the Insurers in the defence or settlement of any claim under this **Policy**.

Defined Peril

The words **Defined Peril** shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, theft, earthquake, storm, flood, overflowing or leaking of any sprinkler apparatus, escape of water from any tank, apparatus or pipe, impact by any road vehicle or animal, falling trees, branches and falling aerials.

Electronic Data

Facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Estimated Gross Profit

The amount declared by the **Insured** to **Insurers** as representing not less than the **Gross Profit** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months).

Excess

The first part of each and every loss which the **Insured** must bear after the application of any condition of average.

Glass

All fixed plain sheet or plain **Glass** in windows, doors, fanlights, skylights, partitions, furniture, display and show cases, counters or shelves or mirrored **Glass** fixed hand basins, lavatory bowls, bidets, shower trays and baths including lettering, embossing, beading, silvering or ornamental work at the **Studio Premises** stated in the **Schedule**.

Gross Profit

The amount by which;

- a) the sum of the amount of the **Turnover** and the amounts of the closing stock and work in progress shall exceed
- b) the sum of the amount of the opening stock and work in progress and the amount of the **Uninsured Working Expenses**

The amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with the **Insured's** usual accounting methods due provision being made for depreciation.

Hazardous Premises

shall mean:

- a) power stations or nuclear installations/establishments
- b) oil, gas or chemical
 - i) refineries
 - ii) bulk storage
 - iii) production premises
- c) aircraft, aerospace or hovercraft
- d) watercraft other than work on or in watercraft in docks, harbours, boatyards or inland waterways
- e) railways or airports other than non-airside or non-trackside work

Indemnity Period

The period beginning with the occurrence of the **Damage** and ending not later than the **Maximum Indemnity Period** thereafter stated in the **Schedule** during which the results of the **Business** shall be affected in consequence thereof.

Injury

Bodily injury, death, disease, illness or nervous shock.

Insured(s)

The firm, company or individual named in the **Schedule**.

Insured Person

Any director, manager or partner of the **Insured** or any Employee aged not less than 16 years nor more than 70 years.

Insurers

The insurers whose identity is stated in the Endorsement entitled Identity of Insurers and whose proportionate liability will be detailed on request.

Loss of Limb(s)

Injury which within 12 months from its occurrence is the sole and direct cause of physical severance or the total or permanent loss of use of one or both arms, hands, legs or feet.

Loss of Sight

Total and irrecoverable loss of sight in one or both eyes.

Machinery, Plant and Equipment

Machinery, plant, equipment, fixtures, fittings, office machines and furniture and all other contents the property of the **Insured** or for which the **Insured** is legally responsible in the **Studio Premises** specified in the **Schedule**. All other contents includes;

- a) documents, manuscripts and business books, but only for the value of the materials as stationery together with the cost of clerical labour actually expended in reinstatement and not for the value of the information contained therein, for an amount not exceeding GBP 2,500 in total
- b) computer systems records but only for the value of the recording hardware or blank media together with the cost of clerical labour actually expended in copying such records from back up or from originals of a previous generation and not for the value of the information contained therein, for an amount not exceeding GBP 10,000 in total. Copying costs will not include research or engineering or any costs of recreating, gathering or assembling data
- c) patterns, models, plans and designs, but only for the value of the materials together with the cost of labour expended in reinstatement and so far as the same are not otherwise insured, and not for the value of the information contained therein, for an amount not exceeding GBP 2,500 in total
- d) directors, **Employees**, visitors and customers personal effects, pedal cycles, tools, instruments and the like, for an amount not exceeding GBP 250 in total in respect of any one person.

Maximum Indemnity Period

As stated in the **Schedule**.

Money

Current coinage, bank and currency notes, uncrossed cheques, giro cheques, bankers drafts, uncrossed postal and money orders, unexpired units in franking machines, unused postage and National Insurance stamps, business travel tickets, luncheon vouchers, trading stamps, holiday with pay stamps, gift vouchers and bills of exchange.

Non-Negotiable Items

Money consisting of crossed cheques, crossed national giro payment orders, crossed bankers' drafts, VAT purchase invoices, crossed postal orders, crossed money orders, national savings certificates, premium bonds, credit card and debit card vouchers and unused franking machine units.

Outstanding Debit Balances

The total amount due to the **Insured** at the date of the **Damage** less bad debts.

Period of Insurance

Any period for which the Insurers may accept payment of a premium in respect of this **Policy**.

Permanent Total Disablement

Injury (not resulting in **Loss of Limb(s)** or **Loss of Sight**) which is the sole and direct cause of the **Insured Person** being totally disabled and prevented from attending to his usual business or occupation with proof satisfactory to the **Insurers** that such disablement has continued for one year from the date of the occurrence of **Injury** and will in all probability continue for the remainder of the **Insured Persons** life.

Person Employed

means any:

1. Employee being a person under a contract of service or apprenticeship with the **Insured**
2. labour master and persons supplied by him
3. person employed by labour only sub-contractors
4. self employed person under the control of the **Insured**
5. person hired to or borrowed by the **Insured**
6. person undertaking study or work experience or youth training scheme with the **Insured**

working for the **Insured** in connection with the **Business**.

Policy

The entirety of the **Policy** of insurance specified in the **Schedule** and/or contained in any and all endorsements or amendments forming part of the **Policy** (whether or not such endorsements or amendments are agreed prior to the **Policy** of insurance coming into force or at any time thereafter). All references to the terms of this **Policy** shall be construed as references to the entire **Policy**, including all terms, conditions, exclusions, **Sums Insured**, excesses, deductibles, limits, **Schedules**, endorsements, amendments and any other written contractual provisions that form part of the **Policy**.

Pollution

means pollution or contamination of the atmosphere, or of any water, land, buildings or other tangible property.

Property Insured

Save where expressly provided otherwise, the **Studio Buildings, Stock, Machinery, Plant and Equipment** at the **Studio Premises**, all as defined in these *General Definitions*, if and to the extent they are included as property insured in the **Schedule**.

Product

means any tangible property after it has left the custody or control of the **Insured** which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the **Insured**.

Proposal

The signed **Proposal** form, Statement of Fact or any additional information supplied to the **Insurers** by or on behalf of the **Insured**.

Rate of Gross Profit

The rate of **Gross Profit** earned on the **Turnover** during the financial year immediately before the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have effected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Schedule(s)

The **Schedule** specifying the terms and extent of this **Policy**.

Standard Turnover

The **Turnover** during the period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have effected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Studio Building(s)

The building(s) situate at the address(es) specified in the **Schedule** including landlords fixtures and fittings in or on the buildings. Unless more specifically insured, buildings include annexes and small outbuildings, and conveyors, trunks, lines, wires, service pipes and other equipment relating to the buildings, walls, gates, fences, yards and car parks the property of the **Insured** or for which the **Insured** is legally responsible at the **Studio Premises**.

Studio Premises

The Address(es) specified in the **Schedule**.

Sum Insured/Limit of Indemnity

The sum or limit specified in the **Schedule** as applying to the relevant Section of this **Policy** or items insured.

Temporary Total Disablement

Injury which within 12 months from its occurrence is the sole and direct cause of the **Insured Person** being totally disabled and prevented from attending to his usual business or occupation for a period not exceeding 104 weeks.

Tenants Improvements

Improvements and decorations to the **Studio Building(s)** specified in the **Schedule** for which the **Insured** is legally responsible.

Terrorism

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

Turnover

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the **Business** at the **Studio Premises**.

Unoccupied

Any **Studio Premises**, other than **Studio Premises** used for storage purposes, closed for **Business** for a period in excess of 30 consecutive days.

Works In Progress

Shall mean:

- a) Works of art or craftwork the property of the **Insured**, which is the subject of an agreed sale or is intended to be offered for sale upon completion, on which work has commenced but not completed; or
- b) Commissioned works of art not deemed to be completed under the terms of the contract between the **Insured** and the commissioner.

Policy General Endorsements

IDENTITY OF INSURERS

Argo Direct Limited on behalf of ArgoGlobal SE

Argo Direct Limited (No. 4019569) is registered in England and Wales at Exchequer Court, 33 St Mary Axe, London, EC3A 8AA.

AIG Europe Limited

AIG Europe Limited is registered in England: company number 1486260. Registered address: The AIG Building, 58 Fenchurch Street, London EC3M 4AB.

Covéa Insurance plc

Covéa Insurance plc, Registered in England and Wales No.613259.
Registered office, Norman Place, Reading, RG1 8DA

Argo Direct Limited is authorised and regulated by the Financial Conduct Authority.

ArgoGlobal SE is authorised by the Malta Financial Services Authority to carry on General Insurance Business under the Insurance Business Act, 1998.

AIG Europe Limited and Covea Insurance plc are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

SEVERAL LIABILITY

The liability of the Insurers is several and not joint and is limited solely to the extent of their individual proportions as shown in the Endorsement entitled Identity of Insurers. The Insurers are not responsible for the subscriptions of any co-subscribing insurers or any other insurer or co-insurer who for any reason does not satisfy all or part of its obligations.

FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

Argo Direct Limited, AIG Europe Limited, Covéa Insurance plc are members of the Financial Services Compensation Scheme (FSCS). This provides compensation in case any member goes out of business or into liquidation and is unable to meet any valid claims against its policies. You may be entitled to compensation if we cannot meet our obligations, depending on the circumstances of the claim. Further information about the compensation scheme can be obtained from the FSCS.

Claims Contact Details

If you need to notify Insurers of a claim or of any circumstances or incident which may cause a claim you should contact:

Hencilla Canworth, Simpson House, 6 Cherry Orchard Road, Croydon, Surrey, CR9 6AZ

Telephone Number **020 8686 5050**
Fax Number: **020 8686 5559**
E-Mail: **mail@hencilla.co.uk**

For any claim under Sections 1 to 3 of this policy please refer to the claims conditions listed on page 33 about actions you should, and should not, take if a claim under the policy may be necessary. For claims under Sections 4 to 6 please refer to General Conditions 1 & 2 on page 35.

Complaints Procedure

It is always the intention to provide a first class standard of service. However it is appreciated that occasionally things go wrong. In some cases the broker who arranged the insurance will be able to resolve any concerns and you should contact them directly.

Alternatively if you need to complain please contact the Pen Underwriting Limited Complaints Officer quoting your policy or claim number.

Pen Underwriting Limited Complaints Officer
3 Atlantic Quay, 20 York Street, Glasgow, G2 8JH
Telephone: 0141 285 3539
Email: pencomplaints@penunderwriting.com

Your complaint will be acknowledged within 5 business days of receipt. If the complaint is not resolved within 4 weeks of receipt Pen Underwriting will write to You and let You know what further action will be taken. A final response letter will be issued within 8 weeks of receipt. Upon receipt of the letter if You remain dissatisfied You may refer Your complaint to the Financial Ombudsman Service.

The FOS is an independent body that arbitrates on complaints.

The FOS can be contacted at the following address:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR
Telephone: 0800 0234567 (for landline users)
Telephone: 0300 1239123 (for mobile users)
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

You have six months from the date of the final response from Your Insurer to refer Your complaint(s) to the FOS. This does not affect Your right to take legal action, however, the FOS will not adjudicate on any case where litigation has commenced.

