

## Property – business interruption (recruitment)

### Policy wording

Please read the schedule to see if **your** loss of **income**, loss of **fees**, **increased costs of working** or **additional increased costs of working** are covered or if a **first loss limit** or **flexible business interruption cover** applies.

The schedule will also show if either the **amount insured** or the **indemnity period** are unlimited.

The General terms and conditions, the Property definitions and the following terms and conditions all apply to this section.

### Special definitions for this section

<b>Accidental bodily injury</b>	Any identifiable bodily injury, including illness solely and directly resulting from the injury, to a <b>key person</b> which is caused by an accident occurring at an identifiable time and place during the <b>period of insurance</b> and which results in the <b>key person's</b> death or <b>disablement</b> .
<b>Additional increased costs of working</b>	The additional costs and expenses, not including the costs of <b>reconstitution of data</b> , reasonably incurred by <b>you</b> with <b>our</b> prior consent in order to continue <b>your activities</b> or minimise <b>your</b> loss of <b>income</b> or loss of <b>fees</b> during the <b>indemnity period</b> and not limited to the reduction in <b>income</b> or <b>fees</b> saved.
<b>Additional research expenditure</b>	The additional costs and expenses reasonably incurred by <b>you</b> with <b>our</b> prior consent in order to restore <b>your research projects</b> to the state they were in prior to any <b>insured damage</b> .
<b>Alternative hire costs</b>	The additional costs and expenses reasonably incurred by <b>you</b> for the necessary hire of a substitute item of similar type and capacity either while insured <b>property</b> is being repaired or until permanently replaced, following <b>insured damage</b> or <b>insured failure</b> .
<b>Annualised amount insured</b>	The <b>amount insured</b> divided by the <b>indemnity period</b> multiplied by 12.
<b>Annualised declared amount</b>	The <b>declared amount</b> for <b>your</b> actual <b>income</b> or <b>fees</b> divided by the <b>indemnity period</b> multiplied by 12.
<b>Computer system</b>	Any computer network, hardware, <b>software</b> , information technology and communications system, including any email, intranet, extranet or website.
<b>Cyber attack</b>	Any financial harm caused to <b>you</b> due to: <ol style="list-style-type: none"> <li>the activities of a third party who specifically targets <b>you</b> alone by maliciously blocking electronically the access to <b>your computer system, programs</b>, or data held electronically by <b>you</b> or on <b>your</b> behalf; or</li> <li>a <b>hacker</b> who specifically targets <b>you</b> alone.</li> </ol>
<b>Disablement</b>	A condition which, in the opinion of a qualified medical adviser approved by <b>us</b> , entirely prevents the <b>key person</b> from attending to their duties on <b>your</b> behalf.
<b>First loss limit</b>	Any <b>amount insured</b> stated in the schedule as a first loss limit, where, with <b>our</b> consent, <b>you</b> have selected a limit that is less than <b>your</b> declared <b>income</b> or <b>fees</b> .
<b>Flexible business interruption cover</b>	Any combination of <b>your</b> loss of <b>income</b> , loss of <b>fees</b> , <b>additional research expenditure</b> , <b>increased costs of working</b> or <b>additional increased costs of working</b> .
<b>Illness</b>	An illness or disease contracted by a <b>key person</b> which first becomes apparent during the <b>period of insurance</b> and which results in the <b>key person's</b> <b>disablement</b> .
<b>Increased costs of working</b>	The costs and expenses necessarily and reasonably incurred by <b>you</b> for the sole purpose of minimising the reduction in <b>income</b> from <b>your activities</b> during the <b>indemnity period</b> , but not exceeding the reduction in <b>income</b> saved.
<b>Indemnity period</b>	The period, in months, beginning at the date of the <b>insured damage</b> or <b>insured failure</b> or the date the restriction is imposed, and lasting for the period during which <b>your income</b> is affected as a result of such <b>insured damage, insured failure</b> or restriction, but for no longer than the

number of months stated in the schedule.

<b>Key person</b>	Any of <b>your</b> directors, partners, trustees, in-house counsel or senior managers in actual control of <b>your</b> operations aged between 18 and 70 inclusive at the start of the <b>period of insurance</b> .
<b>Lottery</b>	The following prize draws and competitions: <ol style="list-style-type: none"> <li>UK National Lottery prize draws including scratch cards;</li> <li>UK National Football Pools;</li> <li>Littlewoods Pools;</li> <li>Vernons Pools;</li> <li>Euro Millions Lottery; or</li> <li>UK Premium Bond prize draw.</li> </ol>
<b>Research projects</b>	<b>Your activities</b> directly related to <b>your</b> development of new products or services or improvements to existing products or services.
<b>Specified customer</b>	Any direct customer of <b>yours</b> operating and based at the address individually stated in the business interruption section of the schedule.
<b>Specified disease</b>	Any of the following diseases: <ol style="list-style-type: none"> <li>acute encephalitis;</li> <li>anthrax;</li> <li>cholera;</li> <li>dysentery;</li> <li>legionellosis;</li> <li>legionnaires disease;</li> <li>leptospirosis;</li> <li>paratyphoid fever;</li> <li>rabies; or</li> <li>tetanus.</li> </ol>
<b>Specified supplier</b>	Any supplier of <b>yours</b> operating and based at the address individually stated in the business interruption section of the schedule.

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<b>What is covered</b>	<b>We</b> will insure <b>you</b> for <b>your</b> financial losses and other items specified in the schedule, resulting solely and directly from an interruption to <b>your activities</b> caused by:
Financial losses from insured damage	<ol style="list-style-type: none"> <li><b>insured damage to property:</b> <ol style="list-style-type: none"> <li>insured under any Property section of this <b>policy</b> other than Equipment breakdown; or</li> <li>insured elsewhere, but not under this <b>policy</b>, provided the <b>damage</b> occurred while the <b>property</b> was contained in the <b>insured premises</b>;</li> </ol> </li> </ol>
Denial of access	<ol style="list-style-type: none"> <li><b>insured damage</b> in the vicinity of the <b>insured premises</b> which prevents or hinders <b>your</b> access to the <b>insured premises</b>;</li> </ol>
Non-damage denial of access	<ol style="list-style-type: none"> <li>an incident occurring during the <b>period of insurance</b> within a one mile radius of the <b>insured premises</b> which results in a denial of access or hindrance in access to the <b>insured premises</b>, imposed by any civil or statutory authority or by order of the government or any public authority, for more than 24 consecutive hours;</li> </ol>
Bomb threat	<ol style="list-style-type: none"> <li><b>your</b> total inability to access the <b>insured premises</b> due to restrictions imposed by the police or the British Armed Forces caused by the presence or suspected presence of an incendiary or explosive device within the <b>insured premises</b> or in the vicinity of the <b>insured premises</b> during the <b>period of insurance</b>, provided that such restriction applies for more than four hours and subject to <b>our</b> liability being limited to the actual period that</li> </ol>

total access is denied. No cover will be provided if actual **damage** is caused by the device;

Unspecified customers	5. <b>insured damage</b> , other than loss or <b>damage</b> caused by <b>flood</b> or <b>earth movement</b> , arising at the premises of any of <b>your</b> direct customers, operating and based in the European Union (including in the <b>United Kingdom</b> or Gibraltar), other than any <b>specified customer</b> ;
Specified customers	6. <b>insured damage</b> arising at the premises of any <b>specified customer</b> ;
Unspecified suppliers	7. <b>insured damage</b> , other than loss or <b>damage</b> caused by <b>flood</b> or <b>earth movement</b> , arising at the premises of any of <b>your</b> suppliers, operating and based in the European Union (including in the <b>United Kingdom</b> or Gibraltar), other than any <b>specified supplier</b> . This does not apply to any supplier of water, gas, electricity or telecommunications services;
Specified suppliers	8. <b>insured damage</b> arising at the premises of any <b>specified supplier</b> ;
Public utilities	<p>9. failure in the supply of:</p> <ul style="list-style-type: none"> <li>a. water;</li> <li>b. gas; or</li> <li>c. electricity;</li> </ul> <p>to the <b>insured premises</b> for more than 24 consecutive hours caused by <b>insured damage</b>, other than <b>damage</b> caused by <b>flood</b> or <b>earth movement</b>, to:</p> <ul style="list-style-type: none"> <li>i. any land based premises of a service provider operating and based in the European Union (including in the <b>United Kingdom</b> or Gibraltar);</li> <li>ii. the terminal feed to the <b>insured premises</b>; or</li> <li>iii. underground cables conveying such services from the service provider to the <b>insured premises</b>.</li> </ul> <p>For cover following a failure in the supply of public utilities, <b>damage</b> shall be considered as <b>insured damage</b> where it is self-insured by the utility provider;</p>
Telecommunications and internet service providers	<p>10. failure in the supply of:</p> <ul style="list-style-type: none"> <li>a. telecommunications; or</li> <li>b. internet services;</li> </ul> <p>to the <b>insured premises</b> for more than 24 consecutive hours caused by <b>insured damage</b>, other than <b>damage</b> caused by <b>flood</b> or <b>earth movement</b>, to:</p> <ul style="list-style-type: none"> <li>i. any land based premises of a service provider operating and based in the European Union (including in the <b>United Kingdom</b> or Gibraltar);</li> <li>ii. the terminal feed to the <b>insured premises</b>; or</li> <li>iii. underground cables conveying such services from the service provider to the <b>insured premises</b>.</li> </ul> <p>For cover following a failure in the supply of telecommunications or internet services, <b>damage</b> shall be considered as <b>insured damage</b> where it is self-insured by the provider of such services;</p>
Public authority	<p>11. <b>your</b> inability to use the <b>insured premises</b> due to restrictions imposed by a public authority during the <b>period of insurance</b> following:</p> <ul style="list-style-type: none"> <li>a. a murder or suicide;</li> <li>b. an occurrence of any human infectious or human contagious disease, an outbreak of which must be notified to the local authority;</li> <li>c. injury or illness of any person traceable to food or drink consumed on the <b>insured premises</b>;</li> <li>d. defects in the drains or other sanitary arrangements;</li> <li>e. vermin or pests at the <b>insured premises</b>;</li> </ul>
Cyber attack	<p>12. <b>cyber attack</b>, provided:</p> <ul style="list-style-type: none"> <li>a. the interruption lasts for a continuous period of more than 12 consecutive hours</li> </ul>

during the **period of insurance**; and

- b. **you** first discover the attack during the **period of insurance**.

However, **we** will not make any payment for:

- i. any **cyber attack** carried out by any person who was, is or during the **period of insurance** becomes **your** partner, director, trustee, in-house counsel or senior manager in actual control of **your** operations;
- ii. any **cyber attack** affecting any internet service provider, telecommunications provider, cloud provider but not including the hosting of hardware and software that **you** own, or other utility provider. This exclusion does not apply where **you** provide such services as part of **your business**;
- iii. any actual or alleged loss, theft or infringement of intellectual property;
- iv. any actual or alleged infringement, use, misappropriation or disclosure of a patent or trade secret;
- v. **confiscation**; or
- vi. **war or nuclear risks**.

This cover does not apply if **you** have purchased separate cyber and data insurance from **us**;

Equipment breakdown

13. **insured failure**.

**Additional cover**

The following are also provided up the amount stated in the schedule:

Hacker damage

14. Following a **cyber attack** covered under this section, **we** will pay the reasonable and necessary expenses incurred with **our** prior written agreement in replacing or repairing **your computer system, programs** or data **you** hold electronically to the same standard and with the same contents before it was damaged, destroyed, altered, corrupted, copied, stolen or misused.

This cover does not apply if **you** have purchased separate cyber and data insurance from **us**.

Employees' lottery win

15. **We** will pay the following costs and expenses incurred by **you** with **our** prior consent caused by one or more of **your** employees resigning from employment with **you** during the **period of insurance** as a direct consequence of their securing a win in a **lottery**:
- a. recruitment and agency fees;
  - b. additional overtime costs for **your** remaining employees; and
  - c. the costs incurred by **you** to employ additional temporary employees.

However, **we** will not make any payment for any costs and expenses caused by **your** employees' **lottery** wins unless:

- i. the employees resign within 14 days from the date of their **lottery** win; and
- ii. the **lottery** win is greater than £100,000 per person.

Cancellation and abandonment

16. If, as a sole and direct result of an unforeseen incident or event which occurs during the **period of insurance** and is entirely beyond **your** control, a promotional event for **your activities** are necessarily and unavoidably postponed, abandoned, cancelled or relocated, **we** will pay the costs and expenses incurred by **you**, provided that the promotional event is:
- a. organised by **you** in connection with **your activities**; and
  - b. due to take place within the **United Kingdom**.

However, **we** will not make any payment for loss of **fees** or any postponement, relocation, cancellation or abandonment of any promotional event for **your activities** directly or indirectly due to:

- i. any failure, withdrawal or inadequacy of necessary finance or financial default of any person, corporation or entity;
- ii. strikes, industrial action or labour disputes, whether actual or threatened;
- iii. any action taken by any national or international body or agency directly or

- indirectly to control, prevent or suppress any infectious disease;
- iv. adverse weather affecting any promotional event; or
- v. **war or nuclear risks.**

#### Key persons

17. If a **key person** suffers **accidental bodily injury** or contracts an **illness** which lasts for more than 28 days, **we** will pay **you** for the expense **you** incur in replacing that **key person**, less any savings **you** are able to make in order to avoid or reduce a loss. However, **we** will not make any payment where the **accidental bodily injury** to or **illness** of a **key person** is directly or indirectly caused by or results from:
  - a. any emotional or psychiatric disorder or condition;
  - b. the **key person** taking or using drugs or controlled substances (other than drugs legally and appropriately prescribed by a qualified medical practitioner and properly used by the **key person**);
  - c. the **key person** committing suicide or deliberately injuring themselves or putting themselves in unnecessary danger (unless trying to save a human life);
  - d. any criminal act by **you** or the **key person**;
  - e. pregnancy or any condition connected with pregnancy or childbirth; or
  - f. any physical defect, infirmity or medical condition known to the **key person** at the inception date of this **policy**, unless the defect, infirmity or condition has been without the need for any medical advice or medical treatment during the 24 month period preceding that **key person** suffering the **accidental bodily injury** or contracting the **illness**.

#### What is not covered

**We** will not make any payment:

1. for any interruption to **your activities** directly or indirectly caused by, resulting from or in connection with:
  - a. **terrorism**. This does not apply to the cover under **What is covered**, Bomb threat;
  - b. any **virus** which indiscriminately replicates itself and is automatically disseminated on a global or national scale or to an identifiable class or sector of users unless created by a **hacker**;
2. if **your activities** are discontinued permanently or if a liquidator or receiver is appointed;
3. for any interruption or loss directly or indirectly caused by, contributed to by, resulting from or in connection with any **communicable disease** or the fear or threat of any **communicable disease**. However, this exclusion does not apply to **What is covered**, Public authority 11b in respect of any **specified diseases**.

#### How much we will pay

**We** will pay up to the **amount insured** unless limited below or stated in the schedule. **We** will pay for no longer than the **indemnity period** stated in the schedule against each insured item.

If **you** are accountable to the tax authorities for Value Added Tax, the amount **we** pay will be exclusive of such tax.

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

#### Flexible cover

Where the schedule shows **you** are covered on a flexible business interruption cover basis, the most **we** will pay for each interruption is the **amount insured** shown on the schedule, which applies to the total of **your loss of income**, loss of **gross profit**, **increased costs of working** and **additional increased costs of working** combined.

#### Loss of income

The difference between **your actual income** during the **indemnity period** and the **income** it is estimated **you** would have earned during that period or, if this is **your first trading year**, the difference between **your income** during the **indemnity period** and during the period immediately prior to the loss, less any savings resulting from the reduced costs and expenses **you** pay out of **your income** during the **indemnity period**. **We** will also pay for **increased costs of working** and **alternative hire costs**.

#### Loss of fees

The difference between **your actual fees** during the **indemnity period** and the **fees** it is

estimated **you** would have earned during that period or, if this is **your** first trading year, the difference between **your fees** during the **indemnity period** and during the period immediately prior to the loss, less any savings resulting from the reduced costs and expenses **you** pay out of **your fees** during the **indemnity period**. **We** will also pay for **increased costs of working** and **alternative hire costs**.

Outstanding debts	Any of <b>your</b> outstanding debts which <b>you</b> are unable to recover following loss of <b>your</b> accounting records as a direct result of <b>insured damage</b> or <b>insured failure</b> .
Accountant's charges	The amount <b>we</b> will pay for loss of <b>income</b> or loss of <b>fees</b> includes the reasonable charges <b>you</b> pay to <b>your</b> professional accountant for producing information <b>we</b> require in support of a request for settlement under this section.
Specified customers	The most <b>we</b> will pay for <b>insured damage</b> arising at each premises of <b>your specified customer</b> is the amount stated in the schedule. If <b>your</b> customer is not individually stated in the business interruption section of the schedule, cover may apply under <b>What is covered</b> , Unspecified customers. Please check <b>your</b> schedule to see what cover <b>you</b> have for <b>insured damage</b> at the premises of <b>your</b> customers.
Specified suppliers	The most <b>we</b> will pay for <b>insured damage</b> arising at each premises of <b>your specified supplier</b> is the amount stated in the schedule. If <b>your</b> supplier is not individually stated in the business interruption section of the schedule, cover may apply under <b>What is covered</b> , Unspecified suppliers. Please check <b>your</b> schedule to see what cover <b>you</b> have for <b>insured damage</b> at the premises of <b>your</b> suppliers.
Employees' lottery win	The most <b>we</b> will pay for all losses arising from one or more of <b>your</b> employees resigning from their posts with <b>you</b> as a direct consequence of their securing a win in a <b>lottery</b> is the amount stated in the schedule.
Cancellation and abandonment	<p>For the cover provided under <b>What is covered</b>, Cancellation and abandonment, <b>we</b> will pay the costs and expenses that <b>you</b> have paid or must legally pay and are unable to recover, less any savings that <b>you</b> are able to make which would have been incurred by <b>you</b> in organising the promotional event.</p> <p><b>We</b> will also pay the necessary and reasonable additional expenses incurred by <b>you</b> with <b>our</b> prior agreement for the sole purpose of avoiding or reducing a loss under this additional cover, provided such expenses do not exceed the reduction in loss saved.</p> <p><b>You</b> must pay the relevant <b>excess</b> stated in the schedule for each and every loss.</p>
Key person cover	<p><b>We</b> will pay the expense <b>you</b> incur up to the amount stated in the schedule.</p> <p>If a <b>key person</b> is suffering from temporary <b>disablement</b>, <b>we</b> will pay only for the period of that <b>key person's disablement</b> and <b>we</b> will consider the <b>key person</b> to have made a recovery when he or she is able to engage in and perform the major duties of his or her role for <b>you</b>.</p>
Business trends	<p>Provided that <b>you</b> advise <b>us</b> of <b>your</b> estimated annual <b>income</b>, or estimated annual <b>fees</b> if applicable, at the beginning of each <b>period of insurance</b>, the <b>amount insured</b> will automatically be increased to reflect any special circumstances or business trends affecting <b>your activities</b>, either before or after the loss. The amount that <b>we</b> will pay will reflect as near as possible the result that would have been achieved if the <b>insured damage</b> had not occurred.</p> <p><b>Your</b> schedule will show if business trends cover applies and the additional percentage amount.</p>
Under insurance	<p>If, at the time of <b>insured damage</b>, <b>insured failure</b> or restriction, <b>we</b> establish that:</p> <ol style="list-style-type: none"> <li>1. the <b>annualised amount insured</b>; or</li> <li>2. the <b>annualised declared amount</b>, where <b>you</b> are covered on a <b>first loss limit</b> basis;</li> </ol> <p>does not represent <b>your</b> actual <b>income</b> or <b>your</b> actual <b>fees</b> during the 12 months immediately preceding the date of the <b>insured damage</b>, <b>insured failure</b> or restriction, <b>we</b> will reduce the amount <b>we</b> pay in the proportion that the premium <b>you</b> have paid bears to the premium <b>we</b> would have charged <b>you</b> if <b>you</b> had declared <b>your</b> actual <b>income</b> or <b>your</b> actual <b>fees</b>.</p> <p><b>We</b> will only apply this calculation if:</p> <ol style="list-style-type: none"> <li>1. <b>we</b> establish that the <b>annualised amount insured</b> is less than 85% of <b>your</b> actual <b>income</b> or <b>your</b> actual <b>fees</b> during the 12 months immediately preceding the start of the <b>period of insurance</b>; and</li> <li>2. <b>we</b> establish that <b>your</b> failure to declare <b>your</b> actual <b>income</b> or <b>your</b> actual <b>fees</b> was not deliberate or reckless and was a breach of <b>your</b> obligation to make a fair presentation of</li> </ol>

the risk to **us** before the start of the **period of insurance**.

This remedy may apply in addition to General condition 2. b.ii. If **your** failure to declare **your** actual **income** or **your** actual **gross profit** was deliberate or reckless, the remedy under General condition 2.a. will apply.

**We** will not apply a reduction for under insurance where the schedule shows either the **amount insured** or the **indemnity period** as 'unlimited'.

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## Your obligations

If any damage occurs

**We** will not make any payment under this section unless **you** notify **us** promptly of any **damage** or event which might prevent or hinder **you** from carrying on **your activities**.

Cancellation and abandonment

For the postponement, abandonment, cancellation or relocation of any promotional event for **your activities** **you** must take reasonable steps to prevent or mitigate any loss including, but not limited to taking reasonable steps to:

- a. ensure that there is an agreement evidenced in writing between **you** and any third party engaged by **you** for the promotional event; and
- b. rearranging a cancelled or abandoned promotional event; and
- c. ensure that any **property** to be used at the promotional event arrives in good time.

If **you** do not, **we** may reduce any payment **we** make under this section by an amount equal to the detriment **we** have suffered as a result.

Property insurance

Where the **damage** involves property **you** own or are legally responsible for, **we** will not make any payment unless **you** have property insurance in force covering the **damage** and payment has been made, or liability admitted, under that insurance for the **damage**.

Accounts records

**You** must keep a record of all amounts owed to **you** and keep a copy of the record away from the **insured premises**. If **you** do not, **we** may reduce any payment **we** make under this section by an amount equal to the detriment **we** have suffered as a result.

Backing-up electronic data

**You** must take all reasonable steps to make back-up copies of data at least once a week and keep the copies away from the location where the electronic data is normally held. If **you** do not, **we** may reduce any payment **we** make under **What is covered**, Cyber attack by an amount equal to the detriment **we** have suffered as a result.