

Loss of Licence

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Definitions

The following Definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

NOTE:

To the extent that **You** are accountable to the tax authorities for Value Added Tax all terms of this Section will be exclusive of such tax.

Gross Income

The money paid or payable to **You** in respect of food, drink or accommodation provided and services rendered, less the cost of food and drink.

Indemnity Period

The period beginning with the loss of licence and ending not later than 12 months thereafter during which the results of the **Business** shall be affected in consequence of the loss of licence provided that if the **Premises** are disposed of within 12 months after the loss of licence, the Indemnity Period will terminate upon disposal.

Cover

In the event that the licence for the sale of excisable liquors granted in respect of the **Premises** is forfeited, suspended or withdrawn during the **Period of Insurance**, **We** will pay **You**:

- the amount by which the **Gross Income** during the **Indemnity Period** falls short of the **Gross Income** during the equivalent period immediately before the forfeiture, suspension or withdrawal of the licence; and
 - any reasonable additional expenses incurred to maintain the **Gross Income** during the **Indemnity Period** but not more than the loss avoided under **Gross Income** less any amount saved during the **Indemnity Period** in respect of reduced expenses due to the event.
- the depreciation in value of the **Premises** if **You** are unable to obtain a licence for a period of 12 months from the date of the forfeiture, suspension or withdrawal of the licence and **You** sell the **Premises**.

Maximum Amount Payable

Our liability during any one **Period of Insurance** will not exceed the sum insured stated in the **Schedule**.

Clauses

Alternative Trading

If during the **Indemnity Period** work is done or services are provided elsewhere than at the **Premises** for the benefit of the **Business** either by **You** or by others on **Your** behalf, the money paid or payable in respect of such work or services will be brought into account in arriving at the **Gross Income** during the **Indemnity Period**.

Departmental Trading

If the **Business** is conducted in departments or across a number of **Premises**, the separate trading results of which can be ascertained, then any claim settlement under this Section will be calculated for each department or **Premises**.

Trends and Variations

In adjusting the amount paid, all variations or special circumstances affecting the **Business** will be taken into account in order that the amount paid will represent as nearly as practicable the results which would have been expected if forfeiture, suspension or withdrawal of the licence had not occurred.

If the event occurs in the first trading year of the **Business**, the payment under **Gross Income** will be based on the trading figures immediately before the forfeiture, suspension or withdrawal of the licence.

Extensions

The following Extensions apply to this Section.

Costs and Expenses

Costs and expenses incurred with **Our** written consent in connection with any proceedings in which an order for a forfeiture, suspension or withdrawal of the licence is made, arising out of a cause beyond **Your** control, including any appeal against such order.

Conditions

The following Conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Change in Circumstances

You will immediately advise **Us** in writing and supply such additional information and give such assistance as **We** may reasonably require on becoming aware of any:

- complaint against the **Business**
- proceedings against or conviction of the licence holder, manager, tenant or occupier of the **Premises**, for any breach of the licensing law or any other matter whatsoever where the character or reputation of the person concerned is affected or called into question with respect to their honesty, moral standing or sobriety
- change in the tenancy or management of the **Premises**
- transfer or proposed transfer of the licence
- alteration in the purpose for which the **Premises** are used
- objection to renewal or other circumstances which may endanger the licence or its renewal

Loss of Licence

continued

Forfeiture or Refused Renewal

In the event of the licence being forfeited or refused renewal, **You** shall:

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

Transfer of Licence

In the event of **Your** death, bankruptcy or incapacity or desertion of the **Premises** or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to their honesty, moral standing or sobriety) of the licence holder, manager, tenant or occupier of the **Premises**, **You** shall where practicable and at **Our** request, procure a suitable person to replace them and one to whom the justices will transfer the licence or grant the licence by way of renewal.

Exclusions

The following Exclusions apply to this Section in addition to the General Exclusions at the front of this policy.

This Section does not cover:

1. any loss if:
 - (a) **You** are entitled to obtain compensation under the provision of any statute following refusal to renew the licence
 - (b) alteration of the **Premises** requiring consent of the appropriate authority are made without that consent
 - (c) the **Premises** are not maintained in good state of sanitary condition or repair
 - (d) **You** fail to comply with any direction or requirement of the licensing or other authority
 - (e) the forfeiture or refusal to renew the licence occurs wholly or partly through **Your** misconduct, connivance, neglect or omission or by **Your** failure to take any steps necessary for keeping the licence in force
 - (f) surrender or refusal to renew or forfeiture arises under or results directly or indirectly from any scheme of town or country planning, improvement or redevelopment
2. any loss arising from:
 - (a) surrender, reduction or redistribution of licences
 - (b) any alteration of the law affecting the grant, surrender, refusal to renew or forfeiture of licences