



**PROPERTY OWNERS  
POLICY WORDING**



## **INDEX**

IMPORTANT INFORMATION .....	3
<b>YOUR RIGHT TO CANCEL (Cooling-off period) .....</b>	<b>3</b>
<b>TERMINATION (Outside the cooling-off period) .....</b>	<b>3</b>
<b>MAKING A CLAIM .....</b>	<b>3</b>
<b>MAKING A COMPLAINT .....</b>	<b>4</b>
<b>APPLICABLE COMPENSATION SCHEMES .....</b>	<b>5</b>
<b>HOW WE USE YOUR INFORMATION .....</b>	<b>6</b>
<b>EMPLOYERS' LIABILITY TRACING OFFICE .....</b>	<b>7</b>
INTRODUCTION .....	8
GENERAL DEFINITIONS .....	9
GENERAL CONDITIONS .....	13
GENERAL EXCLUSIONS .....	23
SECTION A - MATERIAL DAMAGE .....	28
SECTION B - LOSS OF RENT .....	39
SECTION C - LIABILITY .....	44

## **IMPORTANT INFORMATION**

This insurance has been arranged by Choice Insurance Agency Ltd in accordance with the authorisation granted under a contract of delegated authority (the reference of which is shown in the Schedule) by AXIS Managing Agency Ltd.

### **YOUR RIGHT TO CANCEL (Cooling-off period)**

If this policy does not meet **Your** requirements, please contact the insurance broker who arranged the policy within fourteen days of receipt. Provided **You** have not made a claim **We** will return the premium in accordance with the General Condition 4 – Cancellation.

### **TERMINATION (Outside the cooling-off period)**

If **You** wish to terminate this policy at any other time, please contact **Your** insurance broker. Provided **You** have not made a claim **We** will allow a refund of premium in accordance with the General Condition 4 – Cancellation.

### **MAKING A CLAIM**

If **You** need to make a claim, or **You** need to inform **Us** of an incident or circumstance that may constitute a claim, please contact **Our** claims representatives as follows:

Gallagher Bassett Technical

Telephone: 01443 229513

Facsimile: 01443 229995

Email: [uk.gbtechnical.adjusting@gbtpa.com](mailto:uk.gbtechnical.adjusting@gbtpa.com)

Emergency 24/7 Out of Office Number: 01724 761378

Claims in writing should be directed to:

Gallagher Bassett Technical

Units 1 & 2, Ground Floor

Magden Park

Llantrisant

Rhondda Cynon Taff

CF72 8XT

Gallagher Bassett Technical handle claims on behalf of **Your Insurers**.

Our aim is to ensure that all aspects of **Your** insurance are dealt with promptly, efficiently and fairly. At all times **We** are committed to providing **You** with the highest standard of service. If **You** have any questions or concerns about **Your** insurance or the handling of a claim, **You** should contact:

Choice Insurance Agency Ltd

Suite 3, 4a Southchurch Road

Southend-on-Sea

Essex

SS1 2NE

Tel: 01702 411200

Email: [info@ChoiceInsuranceAgency.com](mailto:info@ChoiceInsuranceAgency.com)

## **MAKING A COMPLAINT**

It is always **Our** intention to provide a first-class standard of service. However, it is appreciated that occasionally things go wrong.

If **You** wish to make a complaint, **You** can do so at any time by contacting either Choice Insurance Agency Ltd or the complaints team at Lloyd's. Contact details as follows:

Complaints  
AXIS Managing Agency Limited  
52 Lime Street  
London  
EC3M 7AF  
Tel: 020 7050 9000  
Fax: 020 7050 9001  
E-mail: [complaints@axiscapital.com](mailto:complaints@axiscapital.com)

The contact details for the Complaints team at Lloyd's are as follows:

Complaints  
Lloyd's  
One Lime Street  
London  
EC3M 7AF  
Tel: 020 7327 5693  
Fax: 020 7327 5225  
E-mail: [complaints@lloyds.com](mailto:complaints@lloyds.com)  
Website: [www.lloyds.com/complaints](http://www.lloyds.com/complaints)

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint - How We Can Help", which is available from [www.lloyds.com/complaints](http://www.lloyds.com/complaints). Alternatively, you can ask Lloyd's for a copy of this leaflet using the contact details shown above.

Should **You** remain dissatisfied having received a Final Response to **Your** complaint and **You** fit the definition of an 'eligible complainant', **You** may then be able to refer **Your** complaint to the Financial Ombudsman Service (FOS). Please note that the FOS allow 6 months from the date of the Final Response to escalate **Your** complaint to them. Further details on eligibility and the referral process can be found on the FOS Website.

If you live in the United Kingdom or the Isle of Man, the contact information is:

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](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

If you live in the Channel Islands, the contact information is:

Channel Islands Financial Ombudsman

PO Box 114

Jersey

Channel Islands

JE4 9QG.

Tel: Jersey +44 (0)1534 748610; Guernsey +44 (0)1481 722218; International +44 1534 748610.

Fax +44 1534 747629

Email: [enquiries@ci-fo.org](mailto:enquiries@ci-fo.org)

Website: [www.ci-fo.org](http://www.ci-fo.org)

This complaints procedure does not affect **Your** right to take legal action.

### **APPLICABLE COMPENSATION SCHEMES**

The Financial Services Compensation Scheme (FSCS) may be available to satisfy your claims if **We** are unable to meet **Our** obligations to **You** under this contract. The FSCS is the UK's statutory fund of last resort for customers of financial services firms.

If **You** are entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of the contract and **Your** eligibility. Further information about the Scheme, including who is entitled to make a claim under it and the maximum levels of compensation, are available from [www.fscs.org.uk](http://www.fscs.org.uk)

## HOW WE USE YOUR INFORMATION

In this privacy notice the terms 'we', 'us' and 'our' refer to Choice Insurance Agency Ltd.

We may use the personal and business details **You** have given us or which are supplied by third parties including directors, officers, partners and employees to: provide **You** with a quotation; deal with **Your** Policy; search credit reference and fraud agencies who may keep a record of the search; share with other insurance organisations to help offset risks, help administer **Your** Policy and to handle claims and prevent fraud; support the development of our business by including **Your** details in customer surveys and for market research and compliance business reviews which may be carried out by third parties acting on our behalf.

We may need to collect 'special category' data relating to insured persons, which under the EU General Data Protection Regulation (GDPR) and Data Protection Act 2018 (DPA), includes information relating to health. In addition, we may also need to collect data about criminal convictions or offences. These types of information may be required for the purpose of evaluating the risk or administering claims which may occur. **You** must ensure that **You** have explicit written consent from the insured persons to such information being processed by us and that this fact is made known to the insured persons.

Personal data may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of applicable data protection laws.

Under the GDPR and DPA 2018 individuals also have a number of rights relating to their personal information, which includes the right to access their personal data and supplementary information, which can be requested free of charge.

Please contact:

Data Protection Officer  
Choice Insurance Agency Ltd  
Suite 3, 4a Southchurch Road  
Southend-on-Sea  
Essex  
SS1 2NE

For further detailed information about how we process personal data please refer to our privacy policy on our website at <https://www.choiceinsuranceagency.co.uk/privacy-policy-2/>. Alternatively **You** can request a copy of our privacy policy by writing to the above address.

**You** may view the Data Protection policy of AXIS Managing Agency Ltd, the underwriters of this insurance by visiting <https://axiscapital.com/who-we-are/about-axis/privacy-policy>. This will provide **You** with full details of how they will use and manage **Your** personal information.

**EMPLOYERS' LIABILITY TRACING OFFICE**

Certain information relating to **Your** insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office (the 'ELTO') and added to an electronic database, (the Database').

This information will be made available in a specified and readily available form as required by the Employers' Liability Insurance: Disclosure By Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for the employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers, (the 'Claimants'):

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

**By entering into this insurance policy You will be deemed to specifically consent to the use of Your insurance policy data in this way and for these purposes.**

## INTRODUCTION

Please read this policy together with the Schedule and notify **Your** insurance broker immediately of any errors or omissions.

The Schedule attached to this booklet provides details of the sections that are operative and the cover that has been agreed.

This Introduction, the General Definitions, General Conditions, General Exclusions, Sections, the Schedule and any Endorsements all form part of this Policy. There are also conditions contained in this Policy that are conditions precedent to Our liability. It is important that **You** comply with any conditions precedent in addition to **Your** duties under each section and under the Policy as a whole. If **You** breach any of these **We** may deny **Your** claim, or reduce the amount **We** pay **You**.

Wherever a particular meaning has been given to a word or expression in the General Definitions or the Definitions within the Sections of the policy, the same meaning will attach to the word or expression whenever it appears in the Policy or Section respectively. In the case of any conflict between the General Definitions and a Section Specific Definition, the Definition in that section will prevail.

**Our** acceptance of this risk is based on the information presented to **Us** being a fair presentation of **Your Business** including any unusual or special circumstances which increase the risk and any particular concerns which have led **You** to seek insurance.

**We** would draw **Your** attention to the General Condition – Information You Have Given Us, where in the event of deliberate or reckless misrepresentation and/or non-disclosure of any unusual or special circumstances which increase the risk, **We** may void the policy.

**Our** continued acceptance is based on any changes from the original information presented being advised and accepted by **Us**.

If **You** are in any doubt about any of the above, **You** should consult **Your** insurance broker or advisor.

**We** will provide the insurance described in this Policy subject to its terms and conditions for the **Period of Insurance** shown in the Schedule and any subsequent period for which **You** pay and **We** agree to accept the premium.

Signed on behalf of the Insurers



Choice Insurance Agency Ltd  
Acting on behalf of AXIS Managing Agency Ltd

## GENERAL DEFINITIONS

Wherever the following words appear in **bold** and a capital letter, they will have the meaning shown below:

### **Buildings**

The Buildings at the **Premises** shown in the **Schedule** and including:

- (a) fixtures and fittings in or on the building including fitted carpets
- (b) **Outbuildings**, extensions and annexes
- (c) telephone, gas, water, sewage and electrical instruments, meters, piping, cabling and all accessories pertaining to them including similar property in adjoining yards or roadways or underground and relating to the **Premises**
- (d) concrete, paved or asphalt roads, yards, vehicle parks, pavements, or paths
- (e) outdoor tennis courts and swimming pools
- (f) fixed glass, sanitaryware and signs
- (g) walls, gates, and fences
- (h) street furniture

all **Your** property or for which **You** are responsible.

### **Business**

**Your Business** as described in the Schedule including

- a) the ownership, repair and maintenance and decoration of **Your Premises**
- b) the provision and management of canteen, social, sports and welfare organisations for the benefit of any **Employee**
- c) fire, first aid, medical, ambulance and security services but excluding the provision of any first aid administered by a qualified medical practitioner or nurse.

### **Communicable Disease**

Any disease, illness or condition which is caused by or can be transmitted by means of any substance or agent from any organism to another organism (human or otherwise) where:

- a) the substance or agent includes, but is not limited to, any pathogen, virus, bacterium, parasite, fungus or other organism, micro-organism or any variation or mutation thereof, whether deemed living or not, and
- b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms
- c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

**Consequential Loss**

Any loss which happens as a result of, or is a side effect of, an event for which **You** are insured.

**Damage**

Loss, destruction, or damage.

**Data**

Information represented or stored electronically including but not limited to code or series of instructions, operating systems, software, programs, and firmware.

**Defined Peril(s)**

Fire; lightning; explosion; aircraft or other aerial devices or articles dropped from them; riot; civil commotion; strikers; locked-out workers; persons taking part in labour disturbances; malicious persons (other than thieves); earthquake; storm; flood; escape of water or oil from any tank, apparatus or pipe; impact by any road vehicle or animal; theft or attempted theft; **Subsidence, Landslip or Heave.**

**Employee**

- (a) a person under a contract of service or apprenticeship with **You** or who is retired from full-time employment with **You** but who is still working for **You** as a consultant under **Your** control or direction
- (b) a labour master or labour only sub-contractor or person supplied or employed by them
- (c) a self-employed person
- (d) a person hired to or borrowed by **You** including but not limited to a person on secondment from another employer
- (e) a person under a work experience or training scheme
- (f) voluntary workers
- (g) a person supplied to **You** under a contract or agreement the terms of which deem such person to be in **Your** employment

whilst working under **Your** direction and control in connection with the **Business.**

**Excess**

In respect of Section A:

The first part of each and every loss which **You** agree to pay after the application of any under-insurance condition.

In respect of Section C:

The total amount inclusive of claimant's costs fees and expenses as stated in the **Schedule** payable by **You** or any other person entitled to receive indemnity before **We** are liable to make any payment. It being agreed that if any payment made by **Us** includes this amount, such amount will be repaid to **Us** without delay.

**Heave**

Upward movement of the ground beneath the **Buildings** as a result of the soil expanding.

**Indemnity Period**

The period necessary for **Reinstatement** of the **Damage**, beginning with the occurrence of the **Damage** and lasting no longer than the **Maximum Indemnity Period**.

**Injury**

Death, bodily injury, illness, or disease of or to any person

**Insured/You/Your**

The person(s), company or group of companies, or legal liability partnership stated in the Schedule as The Insured.

**Insurers/We/Us/Our**

AXIS Managing Agency Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference Number 754962). AXIS Managing Agency Ltd is the managing agent of AXIS Syndicate 1686 at Lloyd's and subject to the supervision of the Society of Lloyd's. AXIS Managing Agency Ltd is registered at 52 Lime Street, London EC3M 7AF (Company Number 08702952).

**Landlord's Contents**

Furniture, carpets (other than fitted carpets), furnishings and all other **Property** owned by **You** or for which **You** are responsible within the **Buildings** but excluding:

- (i) landlord's fixtures and fittings
- (ii) contents in common parts of the **Buildings**
- (iii) computer and photographic equipment
- (iv) jewellery, stamp, coin and other collections, articles of precious metal, clocks, watches, furs, works of art or paintings
- (v) clothing, personal belongings and pedal cycles
- (vi) stock and materials in trade.

**Landslip**

Downward movement of sloping ground.

**Limit of Indemnity**

The applicable limit stated in the Schedule.

**Maximum Indemnity Period**

The number of months as stated in the **Schedule**.

**Offshore**

Embarkation on to a vessel or aircraft for conveyance at the point of final departure to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform.

**Outbuildings**

Any structure which does not incorporate permanent foundations below ground level and/or which is not capable of being properly secured.

**Period Of Insurance**

The period shown in the Schedule for which **We** accept payment of a premium, or until cancelled.

**Pollution**

Discharge, disposal, release, or escape, of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids, gases, or waste materials, or other irritants, contaminants, or pollutants.

**Premises**

The building(s) and land within the boundaries at the insured address(es) shown in the Schedule.

**Product**

Any property (including packaging, containers, and labels) after it has left **Your** custody or control which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered, or repaired by **You** or on **Your** behalf.

**Property**

Material property but not including **Data**.

**Rent**

The money paid or payable to **You** by the tenants in respect of rental of the **Premises** including ground rent and management charges.

**Resident(s)**

Any person authorised under the terms of the lease, tenancy agreement or rental agreement who lives in the **Premises** used for residential purposes and any member of their family residing with them.

**Settlement**

Downward movement as a result of the ground being compressed by the weight of the **Buildings** within 10 years of construction.

**Subsidence**

Downward movement of the ground beneath the **Buildings** where the movement is unconnected with the weight of the building.

**Sum insured**

The most **We** will pay in the event of a claim, as shown in the Schedule.

**Territorial Limits**

- (a) England, Scotland, Wales, and offshore installations in territorial waters around Great Britain and its continental shelf
- (b) elsewhere in the world in respect of temporary **Business** visits undertaken by any **Employee** normally resident in the territories defined in (a) above

**Terrorism**

An act, including but not limited to the 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.

**Unoccupied**

Any **Building** or part of any **Building** which is empty or not in use by **You** or the **Resident** for more than 30 consecutive days.

## GENERAL CONDITIONS

**OBSERVANCE OF TERMS**

1. You must at all times observe the terms of this policy.

**INFORMATION YOU HAVE GIVEN US**

2. In deciding to accept this insurance and in setting the terms and premium, **We** have relied on the information **You** have provided. **You** have a duty to inform **Us** of every material circumstance that **You** know or ought to know, or anyone responsible for **Your** insurances knows or ought to know, in a way that is reasonably clear and accessible to Underwriters. **You** also have a duty to answer any questions **We** have asked **You** accurately and to ensure that any information **You** do provide is correct.

For the purposes of 'every material circumstance' mentioned above, **You** are expected to know what should reasonably have been revealed by a reasonable search of information available to **You**. The information may be held within **Your** organisation, or by any third party (including but not limited to the broker, subsidiaries, affiliates or any other person who will be covered under the insurance). If **You** are insuring subsidiaries, affiliates or other parties, **We** expect that **You** have included them in **Your** enquiries, and that **You** will inform **Us** if **You** have not done so. The reasonable search may be conducted by making enquiries or by other means.

If **We** establish that **You** deliberately or recklessly provided **Us** with false information, **We** will treat this insurance as if it never existed, decline all claims, and retain the premium.

If **You** have breached **Your** duty to provide **Us** with the information **We** have relied upon in accepting this insurance and setting its terms and premium but **Your** breach has not been deliberate or reckless, **We** may:

- treat this insurance as if it had never existed and refuse to pay all claims and return the premium paid. **We** will only do this if **We** provided **You** with insurance cover which **We** would not otherwise have offered;

- amend the terms of **Your** insurance. **We** will then apply these amended terms as if they were already in place at the time of the circumstances giving rise to a claim;
- reduce the amount **We** pay on a claim in the proportion the premium **You** have paid bears to the premium **We** would have charged **You**; and/or
- cancel **Your** Policy in accordance with the cancellation condition detailed in this document.

**We** or **Your** insurance broker or agent will write to **You** if **We**:

- intend to treat this insurance as if it never existed; or
- need to amend the terms of **Your** Policy; and/or
- require **You** to pay more for **Your** insurance.

### **POLICY TERMINATION**

3. This policy will be terminated if:

- (a) the **Business** is wound up or carried on by a liquidator, administrator, or receiver, or permanently discontinued, or;
- (b) **Your** interest ceases other than by death;

at any time after the commencement of this Policy unless its continuance is agreed by **Us**.

### **CANCELLATION**

4. **Your Rights**

Within fourteen days of receipt of the policy documentation **You** may cancel this insurance by contacting the insurance broker who arranged the cover on **Your** behalf confirming such cancellation. Provided there have been no claims and **You** know of no incidents which might lead to a claim **We** will refund **Your** premium in full.

After this fourteen-day period has elapsed **You** may cancel the policy by giving thirty days' written notice to the insurance broker who arranged the cover confirming such cancellation. Provided there have been no claims **We** will refund a proportionate part of **Your** premium. For example, if **You** have been covered for six (6) months, the deduction for the period of cover will be half the annual premium. If **We** pay any claim, in whole or in part, then no return premium will be allowed.

#### ***Our Rights***

**We** may cancel this insurance by sending thirty days' notice of cancellation to **Your** insurance broker whereupon **You will** become entitled to a refund of a proportionate part of the premium. For cancellation following default in payment of premium the period of notice may be reduced to seven days. **We** will only cancel this Policy for a valid reason. Valid reasons include, but are not limited to, the following:

- (a) Where **We** reasonably suspect fraud.
- (b) Where **You** are required in accordance with the terms of this insurance to co-operate with **Us**, or send **Us** information or documentation within a given time period specified by **Us**, and **You** fail to do so in a way that materially

affects **Our** ability to process a claim or **Our** ability to defend **Our** interests.

- (c) Where **We** are made aware of changes in **Your** circumstances which mean that it is no longer possible for **Us** to continue to provide cover under this Policy.
- (d) The use of threatening or abusive behaviour or language, or intimidation or bullying of **Our** staff or suppliers.

Provided there have been no claims **We** will refund a proportionate part of **Your** premium. For example, if **You** have been covered for six (6) months, the deduction for the period of cover will be half the annual premium. If **We** pay any claim, in whole or in part, then no return premium will be allowed.

Notice will be deemed to be duly received in the course of the post if sent by pre-paid letter post and properly addressed.

#### **REASONABLE PRECAUTIONS**

5. It is a condition precedent to **Our** liability under this Policy that **You must:-**
- (a) maintain the **Premises**, and all property at the **Premises** in a good state of repair
  - (b) take all reasonable precautions for the safety of the property insured
  - (c) take all reasonable precautions to prevent **Damage**, accident, or injury
  - (d) comply with all relevant statutory requirements, manufacturer recommendations and other safety regulations imposed by any authority relating to the use, inspection and safety of Property and safety of persons
  - (e) exercise care in the selection and supervision of **Employees**
  - (f) take immediate steps to remedy any defect or danger that becomes apparent and take such additional precautions as individual circumstances require, whether of a temporary or permanent nature.

If **You** do not comply with these conditions, in so far as **You** are required to, and **Damage** happens as a result, a claim may be rejected, or payment could be reduced. In some circumstances the Policy might be invalid.

#### **CHOICE OF LAW AND JURISDICTION**

6. This insurance is written in English and all communications about it will be in English.

The laws of England and Wales is the law under which all disputes and/or conflicts under this insurance will be governed and courts in England and Wales will have exclusive jurisdiction over any matter relating to this insurance; unless **Your** registered office is in another part of the **Territorial Limits**, in which case it will be governed by, and subject to the exclusive jurisdiction of, that part of the **Territorial Limits**.

#### **CLAIMS CONDITIONS**

7. (a) It is a condition precedent to **Our** liability under this policy that **You**

must:

- (i) advise **Us** within fourteen days of any **Damage**, accident or injury which may give rise to a claim
- (ii) notify the police as soon as practicable of **Damage** caused by thieves or malicious persons or of any loss of money whatsoever
- (iii) do and permit to be done all things reasonably practicable to minimise the **Damage** or to minimise or check any interruption of or interference with the **Business** or to avoid or diminish the loss
- (iv) as soon as practicable forward to **Us** unanswered any letter of claim, writ or summons and any other documentation relating to the claim issued against **You** by any third party or notice of any impending prosecution, inquest, or Fatal Accident Inquiry
- (v) at **Your** expense, submit to **Us** in writing full details of the claim together with any evidence and information including books of account or other business books or documents or such other proofs that **We** may reasonably require for the purpose of investigating or verifying the claim and (if demanded) a statutory declaration of the truth of the claim and any matter connected with it. This written confirmation is to be sent to **Us** within:
  - seven days of the occurrence in the case of Damage caused by theft or attempted theft, riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances, or by malicious persons
  - thirty days of any other occurrence
  - thirty days of the end of the **Indemnity Period** in the case of claims for Business Interruption
- (vi) not negotiate, pay, settle, admit, or repudiate any claim without **Our** written consent

If **You** do not comply with these conditions, in so far as **You** are required to, and **Damage** happens as a result, a claim may be rejected, or payment could be reduced. In some circumstances the Policy might be invalid.

- (b) **We** will be entitled:
  - (i) following any **Damage** in respect of which a claim is made to enter, take, or keep possession of the **Premises** where such **Damage** has occurred and to take possession of, or require to be delivered to **Us**, any property insured and deal with such property for all reasonable purposes and in a reasonable manner. Such steps as are taken pursuant to this Claims Condition 7(b) (i) will be taken without prejudice to any rights which may have accrued to **Us** prior to that date, nor will such steps be deemed to be confirmation that the Policy responds to any claim. However, property may not be abandoned to **Us** whether **We** have taken possession of the property or not

- (ii) at **Our** discretion to take over and conduct in **Your** name the defence or settlement of any claim and to prosecute at **Our** expense and for **Our** own benefit any claim for indemnity or damages against any other persons in respect of any event insured by this Policy and **You** must give all information and assistance required at no cost to **Us**
  - (iii) at any time to pay the **Limit of Indemnity**, the Limit of Liability or the **Sum Insured** (after the deduction of any sum already paid) or any less amount for which a claim can be settled and relinquish the conduct and control of the claim and be under no further liability except for payment of costs or expenses incurred prior to the date of payment.
- (c) If the terms of Conditions 7(a) or 7(b) have not been complied with, and as a direct consequence, the amount for which **We** are liable under this Policy has increased, then no payment will be made by **Us** in respect of the amount of such increase.
- (d) If **We** so request, any claimant under this policy must at **Our** expense do or permit to be done anything **We** may reasonably require for the purposes of enforcing any rights and remedies or obtaining relief or indemnities from other parties to which **We** are or may become entitled, whether these actions are required before or after **We** agree to indemnity under this policy.
- (e) Arbitration:  
If any difference should arise between **You** and **Us** as to the amount to be paid under this insurance (liability being otherwise admitted) such dispute will be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is to be referred to arbitration as permitted by this condition the making of an award will be a condition precedent to any right of action against **Us**.
- (f) Under-Insurance (Applicable to Sections 1 – Property Damage and Section 2 – Business interruption):
- i. If at the time of **Damage** the **Sum Insured** of the **Buildings, Landlords Contents** or all other contents by each item is less than 85% of the cost of **Reinstatement** at the start of the **Period of Insurance**, then **Our** liability for any **Damage** will be limited to the proportion that the **Sum Insured** bears to the cost of **Reinstatement**; but
  - ii. where a Day one reinstatement clause applies, if at the time of **Damage** the **Declared Value** of the **Buildings, Landlords Contents** or all other contents by each item is less than the cost of **Reinstatement** at the start of the **Period of Insurance**, then **Our** liability for any **Damage** will be limited to the proportion that the **Sum Insured** bears to the cost of **Reinstatement**;

- iii. For any other item listed in the **Schedule**, if at the time of **Damage** the **Sum Insured** on any of these items is less than the value of the property covered by the item (or for any item on rent, less than the amount of rent during the period to which the item relates), then **You** will be considered as being the insurer for the difference and will bear a rateable share of the loss accordingly. The amount payable by **Us** will be proportionately reduced.

(g) **Contribution:**

If at the time of any occurrence which gives rise to a claim under this policy the **Damage**, legal costs, expenses, or liability is covered in whole or in part by any other insurance or would be otherwise insured but for the existence of this policy, **We** will only pay that amount which exceeds the maximum amount payable under such other insurance had this insurance not been effected.

Where a claim includes the defence of criminal proceedings brought or in appeal against conviction, **We** will not pay any costs and expenses where cover is provided by any other insurance or where but for the existence of this Policy would have been provided by such insurance.

#### **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT, 1999**

8. A person or company who was not a party to this Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

#### **SEVERABILITY CLAUSE**

9. If any section, term, condition or exclusion which forms part of **Your** policy is found to be invalid or unenforceable, the remaining sections, terms, conditions and exclusions will be in full force and effect.

If part of a section, term, condition or exclusion which forms part of **Your** policy is found to be invalid or unenforceable, the remainder of that section, term, condition or exclusion will be in full force and effect.

#### **PREMIUM PAYMENT**

10. It is a condition precedent to **Our** liability under this Policy that the premium is paid within 60 days of inception.

If the premium is not paid, **We** or **Your** insurance broker or agent may cancel this Policy by sending 14 days' notice in writing to **Your** last known address. **We** will make a proportionate charge for the time **We** have provided cover (based on the number of days this Policy was in force), with the full premium being payable if a claim has been made, including a claim which is under consideration, or if **You** are aware of an incident which is likely to result in a claim.

If the premium is paid before the notice period expires **We** will automatically revoke notice of cancellation. If not, the Policy will automatically terminate

at the end of the notice period.

In the event that the premium is not paid within 60 days of inception, **You** will be in breach of this condition and **We** will have no liability under this Policy in respect of losses occurring or attributable to something happening between the date of the breach and the date that the breach is remedied.

#### **INSURED'S COMPLIANCE**

11. **You** must at all times, in addition to **Your** obligations set out in General Condition 7 above, provide such information to and co-operate with **Us** or **Our** appointed agents to allow **Us** to be able to comply with all relevant statutory requirements or such relevant Practice Directions and Pre-Action Protocols as may be issued and approved from time to time by the Head of Civil Justice or comply with the requirements of official investigation pursuant to Statute or otherwise.

#### **LONG TERM AGREEMENT CLAUSE**

12. Where the Schedule shows that this General Condition is operative a discount has been allowed from the premium in consideration of **You** having undertaken to offer the renewal of this insurance at the same terms and conditions for the period stated and to pay the premium annually in advance provided that:
- (i) the **Sum Insured** may be adjusted at any time to correspond with any reduction or increase in:
    - (a) value if this insurance covers property **Damage**
    - (b) the **Business** if this insurance covers Business Interruption
  - (ii) this undertaking applies to any insurance or insurances issued by **Us** in place of this policy
  - (iii) the premium will be subject to revision at any time following any alteration in physical hazard and/or increase in liabilities;
  - (iv) at any renewal date **We** may require revised terms or conditions and if **You** do not accept such terms or conditions the agreement set out in this Condition will lapse;
  - (v) **We** will be under no obligation to accept an offer made under this Condition.

#### **SUBJECTIVITIES**

13. It is a condition precedent to **Our** liability that **You**;
- (i) provide **Us** by the required date(s) with any additional information requested
  - (ii) complete by the required date(s) any actions agreed between **You** and **Us**
  - (iii) allow **Us** to complete any actions agreed between **You** and **Us**.

If required by **Us**, **You** must allow **Us** access to the **Premises**, **Your** contract sites, and/or the **Business** to carry out survey(s) within 60 days of the inception or renewal date unless **We** agree otherwise in writing.

Upon completion of these requirements (or if they are not completed by the required dates), **We** may, at **Our** option:

- (i) modify **Your** premium,
- (ii) issue a mid-term amendment to **Your** policy or Section terms and conditions
- (iii) require **You** to make alterations to the **Premises** insured or to the **Business** by the required date(s)
- (iv) exercise **Our** right to cancel **Your** policy
- (v) leave the policy or Section terms and conditions and **Your** premium unaltered

**We** will contact **You** with **Our** decision and where applicable specify the date(s) by which:

- (i) any action(s) agreed must be completed by **You** and/or
- (ii) any decision by **Us** will take effect.

**Our** requirements and decisions will take effect from the date(s) specified unless and until **We** agree otherwise in writing. If **You** disagree with **Our** requirements and/or decisions, **We** will consider **Your** comments and where **We** consider appropriate, will continue to negotiate with **You** to resolve the matter to **Your** and **Our** satisfaction. In the event that the matter cannot be resolved

- (i) **You** have the right to cancel this policy from a date agreed by **You** and **Us** and providing no claims have been made **We** will refund a proportionate part of the premium paid for the unexpired period of cover.
- (ii) **We** may at **Our** option exercise **Our** right under General Condition 4 - Cancellation.

The above Condition does not affect **Our** right to void the policy as specified in General Condition 2.

#### **FINANCIAL OR TRADE SANCTIONS**

14. **We** will not provide coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any prohibition or restriction imposed by law or regulation.

If any such prohibition or restriction takes effect during the **Period of Insurance** either **You** or **Us** may cancel that part of this Policy which is prohibited or restricted with immediate effect by giving written notice to the other at their last known registered address.

After such cancellation **We** will, subject to any applicable minimum premium payment requirements, refund a proportionate amount of the premium for the unexpired **Period of Insurance** provided that;

- (i) no circumstances that could reasonably be considered as being likely to give rise to a claim under the Policy have been notified to **Us** by **You** and
- (ii) no claims have been paid by **Us** or have accrued and are outstanding awaiting payment in respect of such claims prior to the date on which such prohibition or restriction took effect.

**SEVERAL LIABILITY**

15. The liability of the **Insurers** is several and not joint and is limited solely to the extent of their individual proportions. The **Insurers** are not responsible for the subscription of any co-subscribing insurer or any other insurer or co-insurer who for any reason does not satisfy all or part of its obligations.

**FRAUD**

16. If a claim is in any respect fraudulent or if any fraudulent means or devices be used by **You** or anyone appointed to act on **Your** behalf to obtain any benefit under this Policy or if any **Damage**, claim, or loss is occasioned by the wilful act or connivance of **You, We** will:

- (a) have no liability to pay any part of or the whole of the fraudulent claim
- (b) be entitled to refuse all claims arising after the fraudulent action
- (c) remain liable for legitimate claims before the fraudulent action
- (d) terminate the Policy from the date of the fraudulent action whether or not the Policy had expired before the discovery of the fraud.

**UNOCCUPIED PREMISES CONDITION**

17. In respect of

- (i) any residential property which has been **Unoccupied** for 30 or more consecutive days
- (ii) **Unoccupied** blocks of flats
- (iii) any other **Premises** or part of a **Premises** which is left **Unoccupied**

Cover will be limited to Fire, Lightning, Explosion, and Aircraft or other aerial devices or articles dropped from them, only.

It is a condition precedent to **Our** liability that **You** must comply with the following:

- (a) the gas supply must be turned off at the main
- (b) the water supply must be turned off at the main and the water installation fully drained down unless:
  - (i) for the period 1<sup>st</sup> October to 30<sup>th</sup> April the **Premises** has low pressure hot water heating systems which are to remain on and
  - (ii) the mains services to the heating installation(s) are maintained in good condition and boilers are regularly serviced
- (c) the electricity supply to be turned off at the main except if it is necessary for essential circuits to be left on for:

- (i) intruder alarm systems
- (ii) fire alarm systems
- (iii) low pressure hot water heating systems
- (iv) lighting for periodic security

and it must be ensured that

- (1) the wiring to those parts is in safe and satisfactory condition
  - (2) non-essential circuits are isolated either by turning off at the main switch or by removal of fuses
- (d) all letterboxes to be sealed to prevent any insertion
  - (e) all combustible contents to be removed from the **Premises**
  - (f) the **Premises** to be made secure to prevent unauthorised entry
  - (g) any fire or theft protection/detection equipment to be maintained in efficient working order
  - (h) the **Premises** to be visited at least once a week by a responsible adult and a thorough inspection carried out with a written record of visits maintained.

If **You** do not comply with these conditions, in so far as **You** are required to, and **Damage** happens as a result, a claim may be rejected, or payment could be reduced. In some circumstances the Policy might be invalid.

#### **CHANGE OF RISK**

**18.** **You** must give notice to **Us**, via **Your** insurance broker, as soon as possible of any alteration or any change of circumstances which materially affects the risk insured by this Policy or any material change to the information provided in relation to this insurance which happens before or during the **Period of Insurance**. Examples of information **You** must notify **Us** of include, but are not limited to:

- (i) if the **Premises** are not in a good state of repair
- (ii) if any work is being carried out on the **Premises** other than routine maintenance or decoration
- (iii) any change in tenancy of the **Premises** (other than in respect of residential properties which remain in the same type of residential use)
- (iv) disposal or acquisition of the **Premises**
- (v) if any building, demolition, or excavation work, is being carried out on an adjoining premises.

## GENERAL EXCLUSIONS

### 1 RADIOACTIVE CONTAMINATION

This insurance does not cover **Damage**, cost, expense, or indemnity, against any legal liability of any nature directly or indirectly caused by resulting from or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- (b) the radioactive, toxic, explosive, or other hazardous, or contaminating properties of any nuclear installation, reactor, or other nuclear assembly, or nuclear component thereof
- (c) the use of any explosive nuclear weapon or device or the emission, discharge, dispersal, or escape, of fissile material emitting a level of radioactivity
- (d) the emission, discharge, dispersal, release, or escape, of any solid, liquid, or gaseous, chemical compound which when suitably distributed is capable of causing incapacitating disablement or death amongst people or animals
- (e) the emission, discharge, dispersal, release, or escape of any pathogenic (disease producing) micro-organism(s) and chemically synthesised toxin(s) (including genetically modified organisms and chemical synthesised toxin(s) (including genetically modified organisms and chemically synthesised toxins)

### 2 SONIC BANGS

This insurance does not cover **Damage** directly caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

### 3 WAR & SIMILAR RISKS

- (a) This insurance does not cover **Damage** or indemnity against any legal liability directly or indirectly occasioned by, happening through, or in consequence of; war, invasion, act of foreign enemies, hostilities, or war like operations, (whether war be declared or not) civil war, mutiny, civil commotion, assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, 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.
- (b) This insurance also excludes **Damage**, cost, or expense, of any 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 3 (a) above.

#### 4 **CYBER AND DATA**

This insurance does not cover any loss, damage, liability, claim, fines, penalties, cost, or expense, of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

- (a) Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing, or remediating any Cyber Act or Cyber Incident;  
or
- (b) loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss, or theft of any Electronic Data, including any amount pertaining to the value of such Electronic Data;
- (c) loss of, alteration of, or damage to, or a reduction in the functionality, Availability, or operation of, a Computer System;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

If **We** allege that by reason of this exclusion that loss sustained by **You** is not covered by this policy, the burden of proving the contrary will be upon **You**.

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

In respect of Section C – Liability (where applicable) and subject to all the terms, conditions, limitations, and exclusions of this policy or any endorsement thereto, paragraph (a) above will not apply in respect of liability for

- (i) any ensuing third party bodily injury (other than mental injury, mental anguish or mental disease);
- (ii) any ensuing physical damage to third party property;
- (iii) any ensuing bodily injury to an **Employee**;

arising out of a Cyber Incident or a Cyber Act and provided that nothing contained in the foregoing will provide any coverage for any action taken in controlling, preventing, suppressing, or remediating a Cyber Incident or a Cyber Act.

#### Definitions Applicable to this exclusion

##### **Computer System**

Any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any

configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by **You** or any other party.

**Cyber Act**

An unauthorised, malicious, or criminal act or series of related unauthorised, malicious, or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of, or operation of, any Computer System.

**Cyber Incident**

- (i) Any error or omission or series of related errors or omissions involving access to, processing of, use of, or operation of, any Computer System; or
- (ii) Any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use, or operate, any Computer System.

**Electronic Data**

Information, facts, concepts, code, or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted, or stored, by a Computer System.

**5 TERRORISM**

This insurance excludes **Damage** or financial loss or expense, occasioned by or happening through or following **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This insurance also excludes **Damage**, cost, or expense, of any 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**.

In any action, suit, or other proceedings, where **We** allege that any **Damage** is not covered by this insurance (or is covered only up to a specified limit of liability) the burden of proving that such **Damage** is covered (or is covered beyond a specified limit of liability) will be upon **You**.

This exclusion will apply to all sections of this policy, other than liability covered under:

- a) Section C – Sub Section 1 - Employers Liability

Where the maximum limit for any one loss or series of claims arising from one source or original cause will not exceed £5,000,000 inclusive of all costs and expenses.  
and

- b) Section C - Sub Section 2 – Property Owners’ Liability

Where the maximum limit for any one loss or series of claims arising from one source or original cause will not exceed £2,000,000 inclusive of all costs and expenses.

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

## 6 **DATE RECOGNITION EXCLUSION**

This insurance will not cover liability of any nature or any physical **Damage** or any **Consequential Loss** directly or indirectly caused by, or consisting of, or arising from, the failure of any computer, data processing equipment, or media, microchip, integrated circuit, or similar device or any computer software, whether belonging to **You** or not, to

- (a) correctly recognise any date as its true calendar date; or
- (b) capture, save, or retain, and/or correctly to manipulate, interpret, or process, any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date; or
- (c) capture, save, retain, or correctly to process, any data as a result of the operation of any command which has been programmed into any computer software, being a command which caused the loss of data or information or command or instruction or the inability to capture, save, retain, or correctly to process, such data or information, command, or instruction, on or after any date; or
- (d) otherwise function correctly.

But this section does not exclude:

- A. any ensuing physical **Damage** to property insured under Section A;
  - (i) resulting from a **Defined Peril**, and
  - (ii) which is not otherwise excluded;

nor

- B. any **Consequential Loss**, as covered under Section B of this insurance, which may arise from such ensuing physical **Damage**.

Provided that nothing in this or any other provision or extension of this insurance will be construed to extend **Our** liability to cover any costs and expenses, whether preventative, remedial, or otherwise, arising out of or relating to change, alteration, or modification, of any computer system, hardware, program, or software, or any microchip, integrated circuit or similar device, in computer or non-computer equipment, whether **Your** property or not.

## 7 **DISEASE EXCLUSION**

***Not applicable to Section C – Sub-Section 1 - Employers Liability.***

This insurance does not cover any loss (including business interruption loss, loss of value and loss of use), **Damage**, claim, liability, cost, or expense, of any nature, directly or indirectly caused by or in any way contributed to by, resulting from, arising out of, or in connection with:

- 1) any **Communicable Disease**
- 2) any fear or threat (whether actual or perceived) of any **Communicable Disease**
- 3) any advice given, or action taken (whether or not by a competent authority) in controlling, preventing, or suppressing, the occurrence, outbreak, spread, or effects, of any **Communicable Disease**
- 4) the cleaning, disinfecting, decontaminating, repair, replacement, recall, inspecting, testing, and checking, of property which is or is feared to have been affected by any **Communicable Disease**

**8 Biological or Chemical Materials**

This Insurance excludes loss, damage, cost, or expense, of any nature directly or indirectly caused by, resulting from, or in connection with, the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

**9 Renovation/Building Work**

**We** will not pay in respect of **Damage** caused by renovation or building work.

## SECTION A - MATERIAL DAMAGE

The following applies only if the Schedule shows that it is included.

### COVER

In the event of accidental **Damage** to the property insured described in the Schedule which occurs at the **Premises** during the **Period of Insurance** by any accidental cause not otherwise excluded **We** will pay **You** the value of the property at the time of **Damage** or the amount of the **Damage** or, at **Our** option, replace or reinstate the property.

Provided that **Our** liability in any one **Period of Insurance** will not exceed in respect of any one item its **Sum Insured** or in the whole the Total **Sum Insured** or any other stated Limit of Liability.

### CLAIMS SETTLEMENTS

#### DAY ONE BASIS:

In the event of the property insured under each item of the Schedule on **Buildings** and **Landlord's Contents** being the subject of **Damage** giving rise to **Our** liability under this section the basis upon which **Our** liability in respect of each of the said items is to be calculated will be the Reinstatement of the property which has been the subject of **Damage**.

For the purposes of this clause:

"Declared Value" means:

**Your** assessment of the cost of reinstatement of the property insured, arrived at in accordance with paragraph (a) of the Reinstatement definition (see below) at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowance for:

- (a) the additional cost of reinstatement to comply with Local Authority requirements;
- (b) professional fees;
- (c) removal costs.

"Reinstatement" means:

- (a) in the case of destruction, the rebuilding of or replacement by similar property, in either case in a condition equal to but not better or more extensive than its condition when new;
- (b) where property is damaged, the repair of the damage or restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

## SPECIAL PROVISIONS

- 1 The Declared Value for each item is as stated on the Schedule. At the inception of each **Period of Insurance You** must notify **Us** of the Declared Value of the property insured by each of the said items. In the absence of a declaration the last amount declared by **You** will be taken as the Declared Value for the ensuing **Period of Insurance** (suitably adjusted for Index Linking where appropriate).
- 2 No payment will be made beyond the value of the property insured at the time of **Damage**
  - (a) until the cost of Reinstatement has actually been incurred
  - (b) unless Reinstatement (which, subject to **Our** liability not being thereby increased, may be carried out upon another site and in any manner suitable to **Your** requirements) commences and proceeds without unreasonable delay
  - (c) If the **Damage** or liability which is the subject of a claim under this policy is covered by any other insurance, **We** will not pay more than our rateable proportion.
- 3 When any property insured is damaged in part only, **Our** liability will not exceed the sum **We** could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- 4 In respect of each item to which this clause applies, General Condition 7(f) – Under-insurance is amended to read:

If at the time of loss, the Declared Value of the property covered by such item is less than the cost of reinstatement at the inception of the **Period of Insurance**, then **Our** liability will be proportionately reduced.
- 5 In the event of loss **Our** liability in respect of each item to which this clause applies will not exceed its **Sum Insured**. The **Sum Insured** applicable to each item to which this clause applies is calculated by applying a 15% uplift to the Declared Value as stated in the Schedule (unless a different uplift is specified in the Schedule).

## EXTENSIONS

(These Extensions apply to **Your** policy automatically)

### 1 GLASS

**We** will pay for:

- (a) the cost of repair or replacement of lettering, alarm foil, or other ornamentation work, on glass provided that **Our** liability for any one occurrence does not exceed £500 or £2,500 in total in any one **Period of Insurance**.
- (b) the necessary costs of:
  - (i) boarding up and temporary glazing, pending replacement of broken glass
  - (ii) removing and re-fixing window fittings and other obstacles to replacing broken fixed glass.

## 2 LOCAL AUTHORITIES

The insurance in respect of **Buildings** and **Landlord's Contents** extends to include such additional cost of reinstatement of the insured property which has been the subject of **Damage** as may be incurred solely by reason of the necessity to comply with Building Regulations or local authority or other statutory requirements. Provided that:-

- 1 The amount recoverable under this Extension will not include:-
  - (a) the cost incurred in complying with any of the aforesaid regulations or requirements
    - (i) in respect of **Damage** occurring prior to the granting of this Extension;
    - (ii) in respect of **Damage** not insured by this Section;
    - (iii) under which notice has been served upon **You** prior to the happening of the **Damage**
    - (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance by this Material Damage Section) of that portion of the property destroyed or damaged;
  - (b) the additional cost that would have been required to make good the property which has been the subject of **Damage** to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or requirements not arisen
  - (c) the amount of any rate, tax, duty, development, or other charge or assessment, arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the Regulations or requirements referred to.
- 2 The work of reinstatement must be commenced and carried out within a reasonable period and in any case must be completed within twelve months after the **Damage** or within such further time as **We** may (during the said twelve months) agree in writing and may be carried out wholly or partially upon another site (if the aforesaid Regulations or requirements so necessitate) subject to **Our** liability under this Extension not being thereby increased.
- 3 If **Our** liability under any item of the Schedule apart from this Extension will be reduced by the application of any of the terms and conditions of this Section, then **Our** liability under this Extension in respect of any such item will be reduced in like proportion.
- 4 The total amount recoverable under this section for any property insured will not exceed the **Sum Insured** shown against that item.

## 3 ARCHITECTS', SURVEYORS' AND CONSULTANTS' FEES

The **Sum Insured** by each item of the Schedule for **Buildings** and **Landlord's Contents** includes an amount in respect of Architects', Surveyors', Consulting Engineers', Legal, and Other Fees, necessarily incurred in the reinstatement of the property insured consequent upon its **Damage** as insured by this Section but not for preparing any claim.

Provided that **Our** total liability for such **Damage** and fees will not exceed in the aggregate the **Sum Insured** by each item.

#### **4 DEBRIS REMOVAL**

The insurance of the property insured extends to include costs and expenses necessarily incurred by **You** with **Our** consent, which will not be unreasonably withheld, in:

- a) removing debris
- b) the clearing of drains and sewers providing services to or from the **Buildings** and for which **You** are responsible
- c) dismantling and/or demolishing
- d) shoring up or propping

of the portion or portions of the property insured that have sustained **Damage** insured by this Section.

Provided that

- i) **We** will only pay such costs following **Damage** which is insured by this Section
- ii) in respect of **Damage** to property insured comprising roads, yards, vehicle parks, pavements, and gardens **Our** liability in respect of any one occurrence will not exceed
  - (1) 10% of the **Sum Insured** for **Buildings** or
  - (2) £100,000whichever is less
- iii) cover includes the property of others not owned by **You** but for which **You** are responsible up to an amount not exceeding £10,000 for any one occurrence
- iv) **We** will not pay for any costs or expenses;
  - (1) incurred in removing debris elsewhere than from the site of such property which has been the subject of **Damage** and the area immediately adjacent to such site
  - (2) in respect of drains and sewers; beyond a half mile radius of the site of the insured property
  - (3) arising from **Damage** to property not insured by this insurance
- v) **Our** liability under this Extension will in no case exceed the **Sum Insured** or Declared Value (whichever is lower) in respect of that item.

#### **5 WORKMEN**

Any trades person(s), company, firm, or organisation, may be allowed on the **Premises** and instructed by **You** to effect repairs and minor structural alterations in all or any of the **Buildings** without prejudice to this insurance.

#### **6 AUTOMATIC REINSTATEMENT OF SUM INSURED**

In consideration of the insurance not being reduced by the amount of any **Damage You** must pay the appropriate extra premium on the amount of

the **Damage** from the date of the **Damage** to the date of the expiry of the **Period of Insurance**.

## **7 CAPITAL ADDITIONS**

This Section extends to cover the following property situated anywhere in Great Britain:-

- (a) any newly erected and/or newly acquired **Buildings**; and
- (b) alterations, additions, and improvements, to **Buildings** but not in respect of any appreciation in value;

Provided that:

- 1 **Our** maximum liability at any one situation will not exceed :-
  - (a) 10% of the total **Buildings Sum Insured** by this Section, or
  - (b) £250,000whichever is the lower.
- 2 **You** provide particulars of any property in respect of which this extension is sought as soon as practicable and, in any event, at intervals of not more than 6 months and to effect specific insurance thereon retrospective to the date of the commencement of **Your** responsibility.
- 3 **You** must pay the appropriate additional premium from the date on which the item(s) become **Your** responsibility.
- 4 The property is not insured elsewhere.

## **8 EMERGENCY SERVICES**

**We** will pay costs and expenses **You** incur to restore or repair grounds, landscaped gardens, pavements, road surfaces and any other property comprising the **Premises** damaged by the emergency services attending as a result of insured **Damage** to the **Premises**. Provided that **Our** maximum liability will not exceed £5,000 in any one **Period of Insurance**.

## **9 LOSS AVOIDANCE**

**We** will indemnify **You** for costs **You** incur in taking reasonable but exceptional measures to avoid or mitigate impending **Damage** which would otherwise have resulted in a claim under this insurance. Provided that:

- (a) the impending **Damage** did not stem from any reasonably foreseeable cause
- (b) indemnity under this insurance would have been a natural outcome to be expected in the absence of such measures
- (c) **We** are satisfied that the **Damage** has been avoided or reduced in consequence of the measures taken
- (d) the terms, conditions, and exclusions, of this insurance will apply as if **Damage** had occurred
- (e) the amount payable by **Us** will be no greater than the cost that would have been incurred had the measures not been taken and **Damage** had occurred
- (f) **Our** liability is limited to £100,000 any one occurrence or series of events arising out of one occurrence.

## 10 TRACE AND ACCESS

In the event of **Damage** resulting from escape of water or oil as insured by this insurance **We** will pay all costs necessarily incurred in locating the source of such **Damage** and making good.

Provided that **Our** liability is limited to £1,000 any one occurrence or series of events arising out of one occurrence.

## 11 CHANGING LOCKS

This insurance extends to cover the cost of changing locks at the **Premises** following the loss of keys during the **Period of Insurance** by:-

- (a) theft or any attempted theft from the **Premises** or from **Your** home or that of an authorised director, partner or employee;
- (b) robbery whilst such keys are in **Your** personal custody or that of an authorised director, partner or employee;

Provided that:

- i) if such keys relate to a safe they must not be left on the **Premises** overnight unless the **Premises** are occupied by **You** or an authorised employee in which case they must be deposited in a secure place not in the vicinity of the safe.
- ii) **Our** liability is limited to £500 in respect of any one loss.

## 12 ADDITIONAL METERED WATER CHARGES

The insurance by this Section extends to include additional metered water charges incurred by **You** and for which **You** are responsible as a result of **Damage** to the water installation at the **Premises**.

Provided that:

- i) The amount payable will be ascertained by comparing the charge made by the water authority on their account for the period during which the loss of metered water occurred with the charges for the previous period adjusted for any relevant factors affecting **Your** normal consumption of water during the periods concerned
- ii) **Damage** in respect of any **Building** which is **Unoccupied** is excluded
- iii) **Our** maximum liability under this Extension will not exceed £10,000 in the aggregate during any one **Period of Insurance**
- iv) **You** must take all practical steps to remedy the **Damage** to the installation as soon as it is discovered.

## 13 EXTINGUISHMENT EXPENSES

**We** will pay the necessary costs **You** incur for refilling fire extinguishment appliances and replacing used sprinkler heads but excluding

- (a) costs other than as a direct result of **Damage** caused by a **Defined Peril**
- (b) any amount in excess of £5,000 in any one **Period of Insurance**.

#### 14 TEMPORARY REPAIRS

**We** will pay the necessary costs **You** incur (with **Our** consent) in making temporary repairs and erecting temporary buildings and/or contents following **Damage** subject to a limit of £25,000 in any one **Period of Insurance**.

#### 15 UNAUTHORISED USE OF ELECTRICITY, GAS, OIL OR WATER

**We** will indemnify **You** for the cost of metered electricity, gas, oil, or water, for which **You** are legally responsible following its unauthorised use during the **Period of Insurance** by persons taking possession, keeping possession, or occupying, the **Premises** without **Your** authority. Provided that:

- (a) all practical steps are taken to terminate the unauthorised use as soon as it is discovered
- (b) **Our** liability in respect of such costs is limited to £10,000 in any one **Period of Insurance**.

#### 16 REMOVAL OF WASP AND BEE NESTS

**We** will indemnify **You** for the costs incurred in removing wasp or bee nests from the **Buildings** at the **Premises** during the **Period of Insurance** provided that:

- (a) **We** will not be liable for the cost of removing nests already in the **Buildings** prior to the inception of this insurance, and
- (b) **Our** liability will not exceed £1,500 in respect of any one occurrence.

#### 17 TREE FELLING AND LOPPING

**We** will indemnify **You** for costs incurred with **Our** consent for removing or lopping trees which during the **Period of Insurance** have become an immediate threat:

- (a) to the safety of life, or
- (b) of **Damage** to property

Provided that:

- (i) this will not apply to the cost of routine maintenance
- (ii) **Our** liability will not exceed £1,000 any one occurrence.

#### 18 TEMPORARY REMOVAL

**We** will indemnify **You** for **Damage** as insured by this section to **Landlord's Contents** occurring during the **Period of Insurance** and not otherwise insured whilst temporarily removed to any other premises in Great Britain:

- (i) which **You** occupy in connection with the **Business**, or
- (ii) for cleaning, renovation, or repair purposes.

**CONDITIONS – Applicable to Section A**

(The General Conditions also apply to this section)

**1 NOTICE OF OCCUPANCY**

It is a condition precedent to **Our** liability that **You** tell **Us**, via **Your** insurance broker, without delay, when any of the **Buildings** becomes **Unoccupied** or when any **Unoccupied** portion of such **Buildings** becomes occupied. **We** will adjust the premium, if necessary, based on the new circumstances.

If **You** do not comply with this condition, and a claim happens as a result, a claim may be rejected, or payment could be reduced. In some circumstances the Policy might be invalid.

**2 DESIGNATION OF PROPERTY**

For the purpose of determining where necessary the item under which property is insured, **We** agree to accept the designation under which such property has been entered in **Your Business** books.

**3 APPLICATION OF UNDER-INSURANCE CONDITION**

The **Sum Insured** under each Item shown on the Schedule is separately subject to General Condition 7(f).

**4 NON-INVALIDATION**

The insurance of this Section will not be invalidated by any act, error, omission, or alteration, unknown to **You** or beyond **Your** control whether the risk of **Damage** is increased or otherwise. Provided that **You** inform **Us**, via **Your** insurance broker, as soon as possible after **You** become aware of the act, error, omission, or alteration, and pay an additional premium if required.

**5 OTHER INTERESTS**

**We** will automatically note the interests of any freeholders, lessees, underlessees, assignees and/or mortgagees. Provided that **You** advise **Us** of the name of any interested party and the nature and extent of their interest in the event of **Damage**.

**6 BUILDINGS AWAITING DEMOLITION**

If at the time of the **Damage** any **Buildings** are awaiting demolition, **Our** liability is limited to the additional cost of removing debris, as detailed in Extension 4 of Section A, which is incurred by **You** solely as a result of such **Damage**.

**7 BUILDINGS AWAITING REFURBISHMENT, REDEVELOPMENT OR RENOVATION**

If at the time of the **Damage** any **Buildings** are awaiting refurbishment, Redevelopment, or renovation, **We** will not pay for any costs which would have been incurred by **You** in the absence of such **Damage**.

**EXCLUSIONS Applicable to Section A**  
(The General Exclusions also apply to this Section)

**We** will not pay in respect of:

- 1 **Damage** caused by the bursting of any boiler, economiser, or other vessel, machine, or apparatus, belonging to **You** or under **Your** control in which internal pressure is due to steam only but this will not exclude:
  - (i) **Damage** caused by explosion of any boiler used for domestic purposes only
  - (ii) subsequent **Damage** itself resulting from a cause not otherwise excluded.
- 2 **Damage** attributable solely to change in the water table level.
- 3 **Damage** caused by or consisting of:
  - (a) wear and tear; frost; wet or dry rot; dampness or dryness; or anything that happens gradually;
  - (b) corrosion; rust; shrinkage; evaporation; loss of weight; marring; scratching;
  - (c) change in:
    - (i) temperature
    - (ii) colour
    - (iii) texture, or
    - (iv) finish
  - (d)
    - (i) moth
    - (ii) vermin
    - (iii) insects
    - (iv) fungal attack, or
    - (v) mouldhowever caused;
  - (e) inherent vice; latent defect; faulty or defective design or materials;
  - (f) faulty or defective workmanship; operational error or omission on **Your** part or the part of any of **Your Employees**;
  - (g) 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;
  - (h) mechanical or electrical breakdown or failure;
  - (i) chewing, scratching, tearing or fouling caused by pets;but this will not exclude subsequent **Damage** which itself results from a cause not otherwise excluded.

- 4 **Damage** caused by any kind of seepage or any kind of pollution and/or contamination but this will not exclude **Damage** to the property insured specified in the Schedule caused by:
  - (a) pollution or contamination which itself results from a **Defined Peril**
  - (b) a **Defined Peril** which itself results from pollution or contamination.
- 5 **Damage** by storm, wind, rain, hail, sleet, snow, flood, or dust, to movable property in the open, gates, fences, or posts, unless caused by falling trees or there is **Damage** to structural parts of the **Buildings** at the same time.
- 6 **Damage** by theft or attempted theft which does not involve either:
  - (a) entry to or exit from the **Premises** by forcible and violent means, or
  - (b) actual or threatened assault or violence.
- 7 **Damage** by malicious damage, theft or attempted theft, caused by any tenant or person lawfully on the **Premises**.
- 8 **Damage** caused by or consisting of acts of fraud, dishonesty, or deception.
- 9 **Damage** to property in transit other than whilst at the **Premises** or in the circumstances provided for by the following Extensions:  
Extension 20 – Temporary Removal.
- 10 **Damage** to money and securities of any description.
- 11 **Damage** caused by **Subsidence, Landslip, or ground Heave**:
  - (a) to yards, car parks, roads, pavements, street furniture, outdoor swimming pools, outdoor tennis courts, walls, gates, and fences, unless also affecting the **Buildings**
  - (b) 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;
  - (c) resulting from:
    - (i) demolition, construction, structural alteration, or repair, of any property
    - (ii) groundworks or excavationat the same premises
  - (d) which originated prior to the inception of this cover.
- 12 **Damage** caused by or due to disappearance, unexplained or inventory shortage, misfiling, or misplacing, of information.
- 13 **Damage** to a building or structure caused by its own collapse or cracking.
- 14 **Damage** to property resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, alteration, cleaning, or repair.
- 15 **Damage** to fixed glass or sanitaryware:

- (i) occurring during installation or removal, or
  - (ii) which was cracked or fractured prior to inception of this insurance, or
  - (iii) occurring whilst the **Premises** are **Unoccupied** unless specifically agreed.
- 16 **Damage** by fire to property caused by its undergoing any process involving the application of heat.
- 17 **Damage** to property or structures in the course of construction or erection and materials or supplies in connection with all such property in the course of construction or erection.
- 18 The cost of maintenance or routine alteration or decoration.
- 19 Delay; loss of market; or any form of **Consequential Loss**.
- 20 **Damage** to:
- (a) livestock; growing crops; or trees
  - (b) vehicles licensed for road use; caravans; trailers; railway locomotives; rolling stock; watercraft or aircraft
  - (c) piers; jetties; bridges; culverts; or excavations
  - (d) property more specifically insured
  - (e) property which is or but for the existence of this policy would be insured under a 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 policy not been effected.
- 21 The amount of the **Excess** specified in the Schedule
- 22 **Damage** caused by any of the following whilst any of the **Buildings** are **Unoccupied**:
- (a) Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances, or malicious persons.
  - (b) Escape of water or oil from any tank, apparatus, pipe, or appliance.
  - (c) Theft or attempted theft.
- 23 **Damage** caused as a result of any property being used by occupants for illegal activities.
- 24 Theft or attempted theft occasioned by use of a key, key code, or key card.

## SECTION B - LOSS OF RENT

The following applies only if the Schedule shows that it is included.

### COVER

We will pay up to the **Sum Insured** stated in the Schedule in consequence of accidental **Damage** as insured under Section A occurring during the **Period of Insurance** for:

- 1 loss of **Rent** which will be:
  - (a) the shortfall between the **Rent** received during the **Indemnity Period** and the **Rent** which would have been received but for the **Damage**
  - (b) the additional expenditure necessarily incurred to avoid such a shortfall but only to the extent of the shortfall thereby avoided
- 2 the costs necessarily incurred from the date of the **Damage** until the expiry of the **Indemnity Period** in re-letting the **Premises** (including legal fees in connection with the re-letting)

Provided that at the time of the **Damage** there is in force an insurance covering **Your** interest in the property at the **Premises** against such **Damage** and that:

- (a) payment has been made or liability admitted in respect of the **Damage** or
- (b) payment would have been made or liability would have been admitted but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

except that this clause will not apply in respect of any item on **Rent** where another party (other than **You**) is responsible for insuring the **Buildings** by virtue of lease or other contractual arrangements.

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

### CONDITIONS – Applicable to Section B

(The General Conditions also apply to this section)

#### 1 SAVINGS

The amount payable will be reduced by:

- (a) any sum saved during the **Indemnity Period** on business expenses or charges payable out of **Rent** which cease or reduce as a result of the **Damage**, and
- (b) any **Rent** received from the use of other premises to provide accommodation to tenants or prospective tenants of the **Buildings** during the **Indemnity Period**.

## 2 PAYMENTS ON ACCOUNT

Payments on account will be made to **You** in respect of claims for loss of **Rent** on the date upon which the **Rent** would have been due from the lessee but for the **Damage**.

## 3 UNDER-INSURANCE

Provided that if the **Sum Insured** by **Rent** is less than the **Rent** during the twelve months immediately before the date of the **Damage** (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds twelve months) the amount payable will be proportionately reduced.

## 4 UNOCCUPIED BUILDINGS

If at the time of the **Damage** the **Buildings** or any portions of the **Buildings** are **Unoccupied**, cover in respect of **Rent** will only apply if there is an ongoing tenancy agreement in force for which a rental income is being received that can be identified in **Your** records.

## EXTENSIONS

(These Extensions apply to your policy automatically)

### 1 REINSTATEMENT OF LOSS

In the event of loss under this Section, and in the absence of written notice by **You** or **Us** to the contrary, the amount of such loss is to be automatically reinstated from the date of the loss and **You** undertake to pay such additional premium as **We** may reasonably require for the reinstatement for the remainder of the **Period of Insurance**.

### 2 BUILDINGS AWAITING SALE

If, at the time of **Damage**, **You** have contracted to sell **Your** interest in the **Buildings**, or have accepted an offer in writing to purchase **Your** interest in the **Buildings** in accordance with contract and the sale is cancelled or delayed solely following **Damage** insured by Section A occurring during the **Period of Insurance**, then provided that **You** have made all reasonable efforts to complete the sale of the **Buildings** as soon as practicable after the **Damage**, **You** may opt for the amount payable by **Us** to be as follows:

- (a) loss of **Rent**, being the actual amount of the reduction in the **Rent** receivable by **You** solely following **Damage**, during the period before the date upon which, but for the **Damage**, the **Buildings** would have been sold;
- (b) loss of interest during the period commencing with the date upon which, but for the **Damage**, the **Buildings** would have been sold and ending with the actual date of sale or with the expiry of the **Indemnity Period**, if earlier. 'Loss of interest' will be:
  - (i) the actual interest incurred on capital borrowed (solely to offset in whole or in part the loss of use of the sale proceeds) for the purpose of financing the **Business**; plus
  - (ii) the investment interest lost to **You** on any balance of the sale proceeds (after deduction of any capital borrowed as provided for under paragraph (i) above) less any amount receivable in respect of **Rent**,

- (c) additional expenditure, being:
  - (i) the expenditure necessarily incurred following **Damage** solely to avoid or minimise the loss payable under paragraphs (a) or (b) above, but not exceeding the amount of loss avoided by that expenditure; and
  - (ii) the additional legal fees and other expenditure incurred solely as a result of the cancellation or delay following **Damage** but not exceeding the lesser of an amount equivalent to the expenditure incurred before the **Damage** or £50,000 except:
    - 1) the amount payable will be adjusted to provide for any benefit derived by **You** from cancellation of or delay in the sale so that it represents as nearly as possible the actual loss suffered by **You**; and
    - 2) in the event of underinsurance, the amount payable will be adjusted in accordance with Claims Condition 7f.

### **3 CAPITAL ADDITIONS (RENT)**

**We** will indemnify **You** for loss of **Rent** that is not otherwise insured for:

- (a) any newly acquired or newly erected buildings
- (b) alterations, additions, or improvements, to **Buildings** covered under Section A

anywhere in Great Britain

Provided that:

- (i) **Our** maximum liability at any one premises under this clause does not exceed 10% of the **Sum Insured on Rent** up to a maximum of £100,000 during any one **Period of Insurance**
- (ii) **You** undertake to provide particulars of such extension to cover as soon as possible
- (iii) **You** undertake to pay any reasonable additional premium **We** require.

### **4 EXPLOSION**

Notwithstanding Exclusion 1 of Section A, **We** will pay for loss of **Rent** resulting from interruption or interference with the **Business** carried on at the **Premises** in consequence of the explosion of any boiler or economiser on the **Premises** in which internal pressure is due to steam only.

### **5 LOSS OF ATTRACTION**

**We** will indemnify **You** for loss of **Rent** occurring during the **Period of Insurance** as a result of accidental **Damage** to property at the **Premises** which results in a fall in the number of tenants attracted to the **Premises**  
Provided that:

- (a) **We** will not pay for loss arising from obstruction of roads, streets, and pavements by weather or climatic conditions
- (b) **We** will not be liable for loss of **Rent** resulting from **Damage** which is excluded under Section A
- (c) **Our** liability is limited to the period beginning with the occurrence of the **Damage** and lasting no longer than **1** month thereafter

- (d) **Our** maximum liability under this extension will not exceed 5% of the **Sum Insured** on **Rent** or £25,000, whichever is less, during any one **Period of Insurance**.

#### **6 LOSS OF INVESTMENT INCOME ON LATE PAYMENT**

If as a result of **Damage** **We** are paying indemnity in respect of loss of **Rent** and **Our** payment to **You** is made later than the date upon which **You** would normally have expected to receive the **Rent** from a lessee **We** will pay a further sum representing the investment interest lost by **You** during the delay period.

Provided that the amount payable in respect of **Rent** and investment interest lost in any one **Period of Insurance** will not exceed the **Sum Insured** stated in the Schedule for **Rent**.

#### **7 MANAGING AGENTS PREMISES**

**We** will indemnify **You** for loss of **Rent** resulting from **Damage** occurring during the **Period of Insurance** to any location in the United Kingdom owned or occupied by **Your** managing agents for the purposes of their business

Provided that

- (a) **Our** maximum liability under this extension will not exceed 10% of the **Sum Insured** on **Rent** or £250,000, whichever is less, in respect of any one occurrence
- (b) **We** will not be liable for loss of **Rent** resulting from **Damage** which is excluded under Section A.

#### **8 PREVENTION OF ACCESS**

**We** will indemnify **You** for loss of **Rent** following accidental **Damage** occurring during the **Period of Insurance** to property at the **Premises** which prevents or hinders the use of or access to the **Premises**

Provided that

- (a) **Our** maximum liability will not exceed 5% of the **Sum Insured** on **Rent** applying to the **Premises** or £25,000, whichever is less, in respect of any one occurrence
- (b) **We** will not be liable for loss of **Rent** resulting from **Damage** which is excluded under Section A.

#### **9 LEGAL FEES OR PROFESSIONAL ACCOUNTANTS**

If any of the **Buildings** suffer **Damage** **We** will pay the necessary charges payable by **You** and incurred with **Our** consent to:

- (a) **Your** professional accountants for producing such information as **We** may require under the terms of General Condition 7 and for reporting that such particulars are in accordance with **Your** accounts
- (b) **Your** lawyers for determining **Your** contractual rights under any Rent Cessor clause or insurance break clause contained in the lease but not for any other purposes in the preparation of any claim.

#### **10 PUBLIC UTILITIES**

**We** will indemnify **You** for loss of **Rent** resulting from the accidental failure of the supply (but excluding any failure which does not include interruption of supply for at least four hours) of

- (a) electricity at the terminal ends of the supply authority's service feeders at the **Premises**
- (b) gas at the supply authority's meters at the **Premises**
- (c) water at the supply authority's main stop cock serving the **Premises** (other than by drought)

not occasioned by

- (i) the deliberate act of any supply authority nor by the exercise by any such authority of its power to withhold or restrict supply
- (ii) strikes or labour or trade disputes

Provided that

- (a) **Our** maximum liability will not exceed 25% of the **Sum Insured** on **Rent** applying to the **Premises** or £50,000, whichever is less, in respect of any one occurrence
- (b) **We** will not be liable for loss of **Rent** resulting from **Damage** which is excluded under Section A.

#### **11 ALTERNATIVE ACCOMMODATION – RESIDENTIAL PROPERTIES**

If **Buildings** that are occupied totally or partially for residential purposes suffer accidental **Damage** insured under Section A **We** will pay the costs **You** incur in providing comparable temporary alternative accommodation for the **Residents** who normally live in the **Buildings** if the residential property cannot be lived in or accessed because of **Damage** covered by this Insurance.

Provided that **We** will not be liable for:

- (a) any costs **You** or the **Residents** incur once the **Buildings** can be lived in again.
- (b) any costs **You** agree to pay without **Our** written permission.
- (c) any amount in excess of 10% of the **Sum Insured** on **Rent** applying to the **Premises** or £50,000, whichever is less, in respect of any one occurrence.

#### **12 RENT-FREE PERIOD**

If at the time of **Damage** the **Buildings** are subject to a rent-free period concession under the terms of the lease, then the **Maximum Indemnity Period** stated in the Schedule will be adjusted by adding the unexpired portion of the rent-free period to the number of months shown in the Schedule.

## SECTION C - LIABILITY

The following applies only if the Schedule shows that it is included.

### DEFINITIONS – Specific to Section C

Wherever the following words appear in **bold** and a capital letter, they will have the meaning shown below:

#### **Aggravated Damages**

Damage awards that are awarded when a person's behaviour or the circumstances of a case increase the injury to the other person because they are humiliated, distressed, or embarrassed.

#### **Liquidated Damages**

Damages where the amount to be paid for failing to keep to the terms of a contract has been agreed by the people involved in the contract at the time the contract was made.

#### **Punitive or Exemplary**

Damage awards that punish the person they are awarded against, as well as compensate the person they are awarded to.

## OPERATIVE AND INDEMNITY CLAUSE

**We** will indemnify **You** against:

- 1 **Your** liability to pay damages (including claimants' costs fees and expenses)
- 2 all costs, fees, and disbursements **You** incur with **Our** prior written consent in the defence or settlement of any claim under this insurance (hereinafter called "Defence Costs")

Defence Costs include legal expenses:

- a) arising out of representation at any Coroner's Inquest or Fatal Accident Inquiry
- b) arising out of any criminal prosecution proceedings (including any appeal) relating to an offence alleged to have been committed during the **Period of Insurance** and in the course of the **Business** in respect of matters which may form the subject of indemnity by this insurance (including, with **Our** prior consent, **Your** directors, partners or **Employees**).

Provided that:

- i) **We** will not be liable for any fines or penalties imposed as a consequence of such prosecution or appeal including the cost of complying with a publicity or remedial order as defined in the Corporate Manslaughter and Corporate Homicide Act 2007 arising in respect of such prosecution or appeal
- ii) **We** will not be responsible for Defence Costs where at **Our** discretion **We** may require the opinion of counsel (whose appointment is at **Our** sole discretion) as to whether or not

such costs should extend or continue to extend to the support of such defence and where such counsel's opinion is that there is no reasonable defence to the prosecution

- iii) **Our** liability for Defence Costs in cases of breach or alleged breach of The Health and Safety at Work Act 1974 and such Regulations as are passed under or exist as a consequence of that Act are (unless with **Our** prior consent otherwise) limited to prosecutions under Section 33(1) (a) to (c) of the Act
- (iv) **We** will not be liable for Defence Costs consequent upon any deliberate act or omission by:
  - (i) **You**
  - (ii) any of **Your** partners or directors
  - (iii) any **Employee** with any specific responsibility for compliance with the legislation specified above which could reasonably have been expected to constitute a breach of the legislation specified above.

The indemnity applies only to such liability as defined by each insured Sub Section arising out of the **Business** specified in the Schedule subject always to the terms Conditions and Exclusions of such Sub Section and of the insurance as a whole.

## **SUB SECTION 1 - EMPLOYERS LIABILITY**

### **COVER**

**We** will indemnify **You** in accordance with the Operative and Indemnity Clause but only for **Injury** to an **Employee** where such **Injury** arises out of the **Business** and is caused during the **Period of Insurance** as stated in the Schedule within the **Territorial Limits**. Provided that **Our** liability to pay damages (including claimants' costs fees and expenses) and Defence Costs do not exceed the **Limit of Indemnity** stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause.

## **SUB SECTION 2 - PROPERTY OWNERS' LIABILITY**

### **COVER**

**We** will indemnify **You** in accordance with the Operative and Indemnity Clause for:

1. Accidental **Injury**
2. Accidental **Damage to Property**
3. Nuisance, trespass to land, or trespass to goods, or interference with any easement right of air, light, water, or way, other than legal liability for damages which result from **Your** deliberate act or omission or which is a natural consequence of the ordinary conduct of the **Business** and which could reasonably have been expected by **You** having regard to the nature and circumstances of such act or omission

4. Wrongful arrest, false imprisonment, or false eviction

occurring during the **Period of Insurance** as stated in the Schedule within the **Territorial Limits** and in the course of the **Business**. Provided that **Our** liability to pay damages will not exceed the **Limit of Indemnity** stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause.

## **EXTENSIONS**

(Each Extension will show the Sub Section(s) to which it applies)

### **1 ADDITIONAL PERSONS INSURED (Applicable to all Sub Sections)**

- (a) In the event of the death of any person entitled to indemnity under this Section, **We** will indemnify in the terms of this Policy the deceased's legal personal representatives but only in respect of liability incurred by such deceased person
- (b) At **Your** request indemnity will be extended to:
- (i) any of **Your** directors, partners, or **Employees** in respect of liability arising in connection with the **Business**
  - (ii) any officer, committee, or member, of **Your** canteen, sports, social, or welfare organisation; fire, security, first aid, medical, or ambulance services, in their respective capacities as such but not including medical practitioners while working in a professional capacity
  - (iii) any of **Your** directors, partners, or senior officials, in respect of private work undertaken for them with **your** consent by any **Employee**
  - (iv) in respect of the **Premises** occupied for residential purposes:
    - 1) the **Residents**
    - 2) the managing agents
    - 3) the **Residents'** association
    - 4) the owner or lesseebut excluding the liability of any **Resident** arising from their occupation (and not ownership) of the residential property in which they are residing.

each of whom will be subject to the terms and conditions of this policy so far as they can apply as though the **Insured** and provided **You** would have been entitled to indemnity under this Section if the claim had been made against **You**.

For the purposes of the **Limit of Indemnity** all of the persons entitled to indemnity under this insurance will be treated as a one party or

legal entity so that there will be only two parties to the contract of insurance namely **You** and **Us**.

## **2 COURT ATTENDANCE COSTS (Applicable to all Sub Sections)**

In the event of any of the under mentioned persons attending court as a witness at **Our** request in connection with a claim in respect of which **You** are entitled to indemnity under this insurance, **We** will provide compensation at the following rates per day on which attendance is required

- |     |  |      |
|-----|--|------|
| (a) | <b>You</b> or any of <b>Your</b> directors or partners | £500 |
| (b) | any <b>Employee</b>                                    | £250 |

Provided always that:

- (i) **We** will not be liable unless **We** have the sole conduct and control of all claims covered by this Extension
- (ii) this Extension will not apply to any liability which is covered by any other insurance.

## **3 UNSATISFIED COURT JUDGEMENTS (Applicable to Sub Section 1)**

In the event of a judgement for damages being obtained by any **Employee** or the personal representatives of any **Employee** in any court situated within Great Britain

- (i) in respect of **Injury** to the **Employee** caused during any **Period of Insurance** and arising out of and in the course the **Business**, and
- (ii) against any company or individual operating from premises within Great Britain, and
- (iii) payment remaining unsatisfied in whole or in part six months after the date of such judgement,

at **Your** request **We** will pay to the **Employee** or personal representative of the **Employee** the amount of any such damages and any awarded costs to the extent that they remain unsatisfied.

Provided always that:

- (a) there is no appeal outstanding
- (b) if any payment is made under the terms of this Extension the **Employee** or personal representatives of the **Employee** will assign the judgement including damages and costs to **Us**.

## **4 EXHIBITIONS (Applicable to all Sub Sections)**

**We** will indemnify **You** in respect of liability arising out of **Your** attendance at exhibitions and trade fairs during the **Period of Insurance** and within the **Territorial Limits** applicable to each Sub Section.

## **5 CROSS LIABILITIES (Applicable to Sub Section 2)**

Each person or party specified as the **Insured** in the Schedule is separately indemnified in respect of claims made against any of them by any other.

Provided that **Our** total liability will not exceed the stated **Limits of Indemnity**.

**6 DATA PROTECTION ACT (Applicable to Sub Section 2)**

The indemnity provided by this insurance extends to include liability for damage and distress under Article 82 of (Retained EU Legislation) Regulation (EU) 2016/679 (United Kingdom General Data Protection Regulation or the "UK GDPR") and Section 168 of the Data Protection Act 2018 (all as amended, updated, or re-enacted from time to time)

Provided that:

- (a) the liability arises from data for which **You** are registered under the Act and **You** have taken all reasonable care to comply with the requirements of the Data Protection Act
- (b) **You** are not in business as a Computer Bureau
- (c) **You** do not supply data for a fee other than to a data subject
- (d) a claim is first made against **You** during the **Period of Insurance**
- (e) **We** will not indemnify **You** in respect of:
  - (i) the cost of replacing, re-instating, rectifying, erasing, blocking, or destroying, any personal data
  - (ii) liability caused by or arising from a deliberate or intentional act or omission by **You** or any other party entitled to an indemnity under this section, the effect of which will knowingly result in liability under the Data Protection Act
  - (iii) claims which arise out of circumstances notified to previous insurers or are known to **You** at the inception of this insurance
  - (iv) liability for which indemnity is provided under any other insurance
  - (v) any claim or claims made by or on behalf of any of **Your** directors or **Employees** in connection with employment in the **Business**
  - (vi) the payment of fines or penalties.

**7 DEFECTIVE PREMISES ACT (Applicable to Sub Section 2)**

**We** will indemnify **You** in respect of liability arising during the **Period of Insurance** under the Defective Premises Act 1972 or similar legislation in relation to any business premises or land of which **You** have disposed and prior to such disposal were owned by **You** in connection with the **Business**.  
Provided that:

- (a) such liability is not otherwise insured, and
- (b) **We** will not be liable in respect of the costs incurred by anyone in removing, rebuilding, repairing, or rectifying, any such premises.

**8 MOTOR CONTINGENT LIABILITY (Applicable to Sub Section 2)**

Notwithstanding Exclusion 6 of this Section this insurance will indemnify **You** in respect of **Injury** or **Damage** arising out of the use of any motor vehicle owned by an **Employee** and being used in the course of the **Business**

Provided always that no indemnity is provided by this Extension:

- (a) in respect of **Injury** to any person being carried by motor-cycle otherwise than in a sidecar attached to it
- (b) for **Damage** to any vehicle and/or contents therein
- (c) **Injury** or **Damage** arising while such vehicle is being driven by **You** or any **Employee** other than the owner of such vehicle
- (d) if such vehicle is more specifically insured
- (e) for any **Employee** whilst driving or in charge of such vehicle
- (f) if such vehicle is being used outside Great Britain
- (g) if the vehicle is being used with **Your** general consent or that of **Your** representative by any person who, to **Your** knowledge or the knowledge of such representative, does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence.

## **9 OVERSEAS PERSONAL LIABILITY (Applicable to Sub Section 2)**

**We** will indemnify **You** and, if **You** so request, any of **Your** directors or **Employees** (or immediate family accompanying **You** or them) against legal liability incurred in a personal capacity whilst temporarily outside Great Britain in connection with the **Business**

The indemnity will not apply:

- (a) to legal liability arising out of the ownership or occupation of land or buildings
- (b) where indemnity is provided by any other insurance.

## **CONDITIONS**

(Each Condition will show the Sub Section(s) to which it applies)

### **1 PROPORTIONMENT OF DEFENCE COSTS (Applicable to All Sub Sections)**

Except where the **Limit of Indemnity** is inclusive of Defence Costs, if a payment exceeding the **Limit of Indemnity** has to be made to dispose of a claim **Our** liability to pay all Defence Costs in connection with the claim will be limited to such proportion of the Defence Costs as the **Limit of Indemnity** bears to the amount paid to dispose of the claim.

### **2 RIGHTS OF RECOVERY (Applicable to Sub Section 1)**

This Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great Britain and offshore installations in territorial waters around Great Britain and its continental shelf, but **You** must repay to **Us** all sums paid by **Us** which **We** would not have been liable to pay but for the provisions of such law ordinance or statute.

### **3 EMPLOYERS LIABILITY CERTIFICATES (Applicable to Sub Section 1)**

If this policy or this Section is cancelled any certificate of Employer's Liability insurance is cancelled at the same time.

- 4 COSTS INCLUSIVE IN USA & CANADA (Applicable to Sub Section 2)**  
Where indemnity is provided in respect of occurrences in the United States of America or Canada or their dependencies or trust territories **Our** Liability inclusive of all costs and expenses will not exceed the **Limit of Indemnity** shown in the Schedule.
- 5 EXCESS (Applicable to Sub Section 2)**  
The **Excess** will be payable before **We** will be liable to make any payment.

### **EXCLUSIONS – Applicable to Section C**

(Each Exclusion will show the Sub Section(s) to which it applies)

- 1 ROAD TRAFFIC ACT (Applicable to All Sub Sections)**  
This insurance does not provide any indemnity in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other Compulsory Road Traffic Legislation.
- 2 LIABILITY ASSUMED UNDER CONTRACT (Applicable to All Sub Sections)**  
**We** will not indemnify **You** in respect of any claims under this section in respect of liability which is assumed by **You** under any contract or agreement.
- 3 FINES OR PENALTIES (Applicable to All Sub Sections)**  
**We** will not be liable in respect of:  
(i) any fines, penalties, or **Liquidated Damages**  
(ii) the costs of appeal against any improvement or prohibition notices  
(iii) fees for intervention payable under the Health and Safety Fees (Regulations) 2012  
(iv) compensation ordered or awarded by a Court of Criminal Jurisdiction.
- 4 OFFSHORE WORK (Applicable to All Sub Sections)**  
**We** will not be liable in connection with any work **Offshore**. If **We** are required by law to make a payment regarding **Offshore** cover then a **Limit of Indemnity** of £5,000,000 any one occurrence inclusive of all costs and expenses will apply.
- 5 MOTOR VEHICLES (Applicable to Sub Section 2)**  
**We** will not pay for any liability arising out of the ownership, possession, or use, by **You** or on **Your** behalf of any motor vehicle or trailer for which compulsory insurance is required by legislation other than 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  
(b) arising beyond the limits of any carriageway or thoroughfare by the loading or unloading of any motor vehicle or trailer

- (c) for **Damage** to any bridge, weighbridge, road, or anything beneath, caused by the weight of any motor vehicle or trailer or of the load carried thereon
- (d) arising out of any motor vehicle or trailer temporarily in **Your** custody or control for the purpose of parking

and where such liability does not require compulsory insurance by legislation governing the use of any motor vehicle or trailer.

**6 PRODUCTS SUPPLIED (Applicable to Sub Section 2)**

**We** will not pay for any liability arising out of **Products** supplied other than:

- (a) food or drink sold or supplied for consumption by **Your** directors, Employees, or visitors
- (b) the disposal of furniture and office equipment originally intended solely for use by **You** in connection with the **Business** and which is no longer required for that purpose.

**7 AIR AND WATER CRAFT (Applicable to Sub Section 2)**

**We** will not pay for liability arising out of the ownership, possession, or use, by **You** or on **Your** behalf of any:

- (a) aircraft or other aerial device
- (b) aerospace device
- (c) hovercraft
- (d) watercraft other than hand or sail propelled watercraft whilst being used on inland waterways.

**8 CARE, CUSTODY AND CONTROL (Applicable to Sub Section 2)**

**We** will not pay for liability arising as a result of **Damage** to property owned, leased, or hired, by **You** or under hire purchase or on loan to **You** or otherwise in **Your** care, custody, or control, other than:

- (a) premises (or the contents thereof) temporarily occupied by **You** at which **You** are undertaking work in connection with the **Business** (but no indemnity is granted for **Damage** to that part of the property on which **You** are working and which arises out of such work)
- (b) directors', partners', **Employees'** and visitors' clothing and personal effects including vehicles and their contents
- (c) premises tenanted by **You** to the extent that **You** would be liable in the absence of any specific agreement.

**9 DEFECTIVE WORK OR MATERIALS (Applicable to Sub Section 2)**

**We** will not indemnify **You** in respect of the cost of replacing or making good faulty, defective, or incorrect:

- (a) workmanship, or
- (b) materials, goods, or other property, supplied, installed, or erected, by **You** or on **Your** behalf.

**10 INJURY TO AN EMPLOYEE (Applicable to Sub Section 2)**

**We** will not pay for **Injury** to an **Employee** where such **Injury** arises out of the **Business**.

**11 POLLUTION (Applicable to Sub Section 2)**

**We** will not pay for any liability arising:

- (a) from **Pollution** of buildings or other structures or of water or land or the atmosphere outside of North America other than caused by a sudden, identifiable, unintended, and unexpected, occurrence which takes place in its entirety at a specific time and place during the **Period of Insurance**. All **Pollution** which arises out of one occurrence will be deemed to have occurred at the time such occurrence takes place. Provided that **Our** liability will not exceed the **Limit of Indemnity** stated in the Schedule in respect of all occurrences.
- (b) directly or indirectly from any **Pollution** or contamination of buildings or other structures or of water or land or the atmosphere in North America or where a claim is brought in a court of law in North America

**12 ASBESTOS (Applicable to Sub Section 2)**

**We** will not pay for any liability directly or indirectly arising or resulting from or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of, 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 any sequence to a loss.

**13 EXCESS (Applicable to Sub Section 2 )**

**We** will not be liable for the **Excess** as stated in the Schedule in respect of the first amount of each claim or series of claims arising out of one originating cause.

**14 PUNITIVE, EXEMPLARY OR AGGRAVATED DAMAGES (Applicable to Sub Section 2)**

**We** will not be liable in respect of **Punitive or Exemplary damages** or **Aggravated Damages** or sums awarded in restitution or any additional damages resulting from the multiplication of compensatory damages.

**15 REPAIR OR REPLACEMENT OF PRODUCTS (Applicable to Sub Section 2)**

**We** will not be liable for costs incurred in the repair, reconditioning, or replacement, of any **Product** or part thereof and/or financial loss consequent upon the necessity for such repair reconditioning or replacement.

**16 PRODUCT RECALL (Applicable to Sub Section 2)**

**We** will not be liable for any liability arising out of the recall of any **Product** or part thereof.

**17 ILLEGAL ACTIVITIES (Applicable to Sub Section 2)**

**We** will not be liable as a result of any residential property being used by occupants for illegal activities.