

Property Owners'

Policy Wording

Welcome to Intact Insurance

Intact Insurance is here to help people, businesses and society prosper in good times and be resilient in bad times. It is why we exist. We also believe that insurance is about people, not things.

Our purpose and belief drive everything we do and give meaning to our work.

Through the expertise of our teams and the range of our products, we aim to minimise disruption to your business and get you back on track as quickly as possible. So, when you are faced with the unexpected, you can focus on running your business, knowing that Intact Insurance will always strive to go further to help you.

Thank you for choosing us.

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About Your Policy

Your Policy:

- is made up of this policy wording and the accompanying **Schedule** and **Statement of Fact** and should be read as one document;
- is a legal contract between **You**, the policyholder and **Us**, Intact Insurance UK Limited;
- sets out the details of what **You** are covered for, and any exclusions or limitations that apply;
- explains both parties (**Yours** and **Ours**) rights and obligations under the contract.

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

Please take the time to read all parts of **Your Policy** carefully, and to familiarise **Yourself** with the content.

Throughout Your Policy any:

- reference to the singular will include the plural or vice versa;
- legal references shall include any equivalent legal provision in the jurisdiction of either **Your** ordinary residence or location of the risk insured. This is provided that such jurisdiction is within the territorial scope of the **Policy**;
- references to any Act or law including any rule, order, regulation or other similar instrument made under it shall include any amendment, replacement, consolidation or re-enactment of such Act or law;
- headings in this **Policy** are for ease of reference only and do not affect the meaning of what follows;
- words that have specific meaning are both **Bold** and Capitalised and accompanied by a General or Section specific definition.

Your Policy Schedule:

- tailors the **Policy** to **Your** specific cover including any limits or sub-limits that apply to **Your** cover;
- may contain **Policy** endorsements that alter the cover in the **Policy** wording to meet either **Our** or **Your** requirements.

Please read Your documents carefully

Please contact **Your** broker if there are any parts of **Your Policy** of which **You** are uncertain, or that **You** believe to be incorrect.

Contacting Us

There are contact details included in this **Policy** for reporting claims, accessing personal data or making a complaint. However, for more general queries **You** can write to **Us** at:

Intact Insurance Customer Relations Team
PO Box 255
Wymondham
NR18 8DP

Email: customerrelations@intactinsurance.co.uk

Navigating Your Policy

Your cover is broken down into different Policy Sections. Each of these may have Section level definitions, exclusions, and conditions which operate specifically to the cover being provided under that Section.

We appreciate that there will be information in this **Policy** that **You** need to locate quickly. Key Section headings are highlighted below.

For an understanding of the full extent of the terms and conditions, We always recommend that You familiarise Yourself with all parts of Your Policy.

Making a Claim – Notification and Claims Conditions

Details how **You** can report a claim and any obligations upon **You** at the point of claim and throughout the claims process.

Your Duty of Fair Presentation

We have issued this **Policy** based upon **You** making a fair presentation of the risk, as explained within the provisions of the Insurance Act 2015. This section explains your obligations and how **Your** failure to make a fair presentation of the risk may impact **Your** claim and/or **Your Policy**.

Payment of Premium

Provides a summary of **Your** responsibility to pay the premium, including any adjusted amounts following changes to **Your Policy**.

Cancellation

Details how either **You** or **We** may cancel this **Policy** and any premium that may be due back to **You** in the event of cancellation.

Operation of Your Policy

Information about other key points that apply to **Your Policy**.

General Exclusions and General Conditions

These apply across the whole **Policy** in addition to that stated under Operation of the Policy and the Section level Exclusions and Conditions.

Your Personal Information

Any personal information that **You** provide, will be managed by **Us** in accordance with **Our** Privacy Notice. This page provides the details and a link to Intact Insurance's full privacy statement.

Making a Complaint

We always aim to ensure good customer outcomes in all that **We** do. However, there may be times where **You** feel that **We** have not delivered the service **You** expected. This page explains the steps available to **You** in such circumstances.

Customer Care Services & Helplines

Claims Helpline

We recognise that losses mean disruption to **Your** business and that the ultimate test of any insurance policy is providing a fast, effective claims service. **We** also realise that running a business means that it might not be convenient for **You** to report a claim to **Us** during normal office hours. That's why **You** can now notify **Us** of any claim when it suits **You** – any time of the day or night.

Emergency Repairs

Should emergency repairs be needed to **Your** property, **We** will put **You** in touch with a tradesperson from **Our** carefully selected panel. **You** will have to pay the cost of any work done, but where the **Damage** is caused by an insured **Event**, **You** can of course submit the cost as part of **Your** claim. Whatever the nature of the emergency, **You** just need to make a single phone call.

There may be times where an emergency tradesperson is not immediately available to assist **You** and in that situation **We** will provide appropriate advice depending on **Your** circumstances.

We are not responsible for any delay in supplying spare or replacement parts.

Catastrophe Claims

If **You** are faced with a major catastrophe, such as a serious fire or flood, **We** recognise that **You** will need expert assistance immediately. **We** will send a representative to help **You** in a major crisis, 24 hours a day, 365 days a year.

24-hour Claims Helpline

0345 300 4006

Please quote Your Policy Number which can be found on Your Schedule

Legal Expenses

In respect of a claim for Legal Expenses Insurance please call the 24-hour Helpline 01455 251500 quoting code 70108. **You** will not be able to make a claim for Legal Expenses Insurance if the section is shown as Not Insured in **Your Schedule**.

Advice Line

Where do **You** turn for answers to questions that affect **Your** business? **Our** advice lines will put **You** in touch with highly qualified experts who can offer information and assistance on a wide range of issues:

- Legal assistance
- Health and Safety issues
- Tax advice
- Stress Counselling

Please call the 24-hour Helpline 01455 251500 quoting code 70108.

Making a Claim – Notification

Applicable to the whole Policy unless otherwise stated:

Claim Notification

Conditions that apply to this **Policy** in the event of a claim are set out in the Making a Claim – Claims Conditions pages of this **Policy**. It is important that **You** comply with all **Policy** conditions and **You** should familiarise yourself with their requirements.

Directions for claim notification are included in Making a Claim – Claims Conditions. Please remember that events that may give rise to a claim under this insurance must be notified as soon as reasonably possible although there are some situations where immediate notification is required.

The Claims Conditions require **You** to provide **Us** with any reasonable assistance and evidence that **We** may require concerning the cause and value of any claim. Ideally, as part of **Your** initial claim notification, **You** should provide:

- **Your** name, address, and **Your** email and contact numbers;
- personal details necessary to confirm **Your** identity;
- policy number;
- the date of the incident;
- the cause of the loss or **Damage**;
- details of the loss or **Damage** together with claim value if known or in respect of injury the nature and extent;
- the crime reference number where applicable;
- names and addresses of any other parties involved or responsible for the incident (including details of injuries) and addresses of any witnesses.

This information will enable **Us** to make an initial evaluation on policy liability and claim value. **We** may, however, request additional information depending upon circumstances and value which may include the following:

- original purchase receipts, invoices, instruction booklets or photographs;
- purchase dates and location of lost or damaged property;
- for damaged property, confirmation from a suitably qualified expert that the item **You** are claiming for is beyond repair.

Sometimes **We** or someone acting on **Our** behalf, may wish to meet with **You** to discuss the circumstances of the claim, to inspect the damage or to undertake further investigations.

Preferred Suppliers

We take pride in the claims service **We** offer to **Our** customers. **Our** philosophy is to repair or replace lost or damaged property, where **We** consider it appropriate, and **We** have developed a network of contractors, repairers and product suppliers dedicated to providing claim solutions.

Where **We** can offer repair or replacement through a preferred supplier, but **We** agree to pay a cash settlement, then payment will normally not exceed the amount **We** would have paid **Our** preferred supplier.

Making a Claim

To make a claim, first read the **Policy** and **Schedule** and check that **You** are covered. Then follow the instructions provided under Claims Condition 1 – **Action by You**.



You can tell **Us** about **Your** claim by visiting **Our** website. **You** can do this at any time by scanning the QR code or by visiting intactinsurance.co.uk/claims

Alternatively, **You** can contact **Your** broker for a claim form.

If **You** are dissatisfied with the way in which a claim or any other matter has been dealt with, please refer to Making a Complaint.

Making a Claim – Claims Conditions

Applicable to the whole Policy unless otherwise stated:

1 Action by You

Where an **Event** which could give rise to a claim under this **Policy** happens **You** will:

- A) tell **Us** as soon as reasonably practicable and no later than 30 days of **Your** becoming aware of the **Event** or occurrence and provide **Us** with all information and help **We** reasonably require in respect of the claim and where requested by **Us** and at **Your** expense, written details containing as much information as possible on the **Event**, **Damage**, accident or **Injury** including (to the extent possible) the amount of the claim;
- B) notify **Us** within 14 days in the case of loss, destruction or **Damage**, caused by Riot;
- C) take all reasonable action to minimise or eliminate any interruption of or interference with the **Business**;
- D) not admit or deny liability nor make any offer, compromise, promise or payment, enter into any agreement or give any undertaking in respect of the claim without **Our** written consent;
- E) pass to **Us** immediately, unanswered, all communications from third parties in relation to any **Event** which may result in a claim under this **Policy**;
- F) tell **Us** immediately of any impending prosecution, inquest or fatal inquiry or civil proceedings and send to **Us** immediately every relevant document **You** receive in relation to any such matter;
- G) provide **Us** with such books of account or other business books or documents or such proofs as may reasonably be required by **Us** for investigating or verifying the claim;
- H) provide to **Us** (if required) a statutory declaration of the truth of the claims and any related matter.

Where material to the loss, failure to comply with any of these conditions will result in Us not paying Your claim.

2 Our Control Of Claims

We will be entitled:

- A) on the happening of any **Damage** to the property insured to enter, take and keep possession of the **Building** where **Damage** has happened, to take and keep possession of the property, to deal with the salvage in a reasonable manner without thereby incurring any liability, without diminishing **Our** right to rely on any conditions of this **Policy**. This **Policy** will be proof of leave and license for such purpose;
- B) at **Our** discretion to take over and conduct in **Your** name the defence or settlement of any claim and to take proceedings at **Our** own expense and for **Our** own benefit but in **Your** name to recover compensation or secure indemnity from any third party in respect of any **Event** insured by this **Policy**. **You** will give all information and assistance reasonably required;
- C) to any property for the loss of which a claim is paid hereunder and **You** will execute all such assignments and assurances of such property as may be reasonably practicable but **You** will not be entitled to abandon any property to **Us**;
- D) at **Our** option to repair or replace the property or any part of the property for which **We** may be liable under this **Policy**, provided that **We** will not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner. **We** shall not in any case be bound to expend in respect of any one of the items insured more than the **Sum Insured**.

We will not enforce rights against:

- i) a tenant in respect of **Damage** to the part of the **Buildings** occupied by that tenant or to common parts of the **Buildings** unless **Damage** arises out of a criminal, fraudulent or malicious act;
- ii) any Company being Parent of or Subsidiary to **You** or any Company which is a Subsidiary of a Parent Company of which **You** are **Yourselves** a Subsidiary in each case within the meaning of Section 736 and 744 of the Companies Act 1985 or Articles 2 and 4 of the Companies (Northern Ireland) Order 1986.

3 Other Insurance

If **You** claim under this **Policy** for something which is also covered by another policy, **We** will only pay **Our** proportionate share of the claim. **You** should give **Us** full details of the other policy.

If any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this **Policy**, whether in whole or in part or from contributing rateably, then **Our** liability will be limited to any excess beyond the amount which would have been payable under such other insurance had this **Policy** not been effected.

This condition does not apply the Contingent Motor Liability cover under Liabilities Insurance – Section 2 Property Owners' Liability.

4 Arbitration

A) Not applicable to Liabilities Insurance or Legal Expenses Insurance

If there is any disagreement between **You** and **Us** as to the amount to be paid under this **Policy**, liability being otherwise admitted, the disagreement shall be referred to an arbitrator in accordance with the Arbitration Act 1996 or any subsequent legislation replacing that Act.

The seat of arbitration shall be **Your** country of residence, and the arbitration shall be governed by the law of that seat. The arbitrator shall comply with any statutory duty of disclosure in relation to impartiality.

The party against whom the decision is made shall meet all costs of the arbitration in full.

If the decision is not clearly made against either party the arbitrator shall have the power to apportion costs.

If the decision is made in **Our** favour **Your** costs shall not be recoverable under this **Policy**. This procedure does not prejudice any right of recourse **You** have to any other complaints procedure to which **We** subscribe or to the courts.

B) Applicable to Liability Insurance – Section 3 Legal Defence Costs only

Any dispute between the **You** and **Us** in respect of Liability Insurance Section 3 – Legal Defence Costs may be referred to a single arbitrator who shall be a solicitor or barrister agreed upon by both parties.

Failing agreement the arbitrator will be nominated by the President of the appropriate Law Society Bar Council or professional body within **Great Britain** Northern Ireland the Channel Islands or the Isle of Man.

The party against whom the decision is made shall meet all the costs of the arbitration in full.

If the decision is not clearly made against either party the arbitrator shall have the power to apportion costs.

If the decision is made in the **Our** favour **Your** costs shall not be recoverable under this **Policy**.

5 Adjudication

On receipt of a **Notice of Adjudication** relating to any circumstance which has given or may give rise to a claim under this **Policy** **You** shall provide immediate notice of this to **Us**.

Your Duty of Fair Presentation

Your obligation to disclose material circumstances at the start of any Period of Insurance

You have a legal duty to provide **Us** with a fair presentation of the subject matter of this insurance. This means that **You** should ensure that **We** have access to all material information when **We** decide whether to insure **Your** risk, calculate the premium or set the terms and conditions of **Your Policy**.

Provided the online questions have been completed accurately and in good faith, and Our assumptions generated on the Statement of Fact are correct, We will accept this as being a fair presentation of the risk.

Your obligation to disclose material changes that alter the risk during the Period of Insurance

If during the **Period of Insurance**, there is a change in the circumstances of **Your Business** which might:

- 1 materially alter the risks against which **You** have insured; or
- 2 increase the likelihood of a claim under this **Policy**,

You should make a fair presentation of this to **Us**.

What do We mean by 'Material Information'?

'Material information' means any information relating to the circumstances of **Your Business** which would affect this decision-making. For example, by affecting the nature of the risks against which **You** wish to insure or increasing the likelihood of a claim.

If You are in doubt as to whether information is material, You should disclose it to Us.

Breach of Duty and how that may impact You

If at any time **You** fail to make a fair presentation of the risk insured, **We** may be entitled to cancel this **Policy** or reduce the amount of any claims payment in accordance with the provisions of the Insurance Act 2015.

Underinsurance

You must take care to ensure that the value which **You** declare for all property insured is adequate.

The value **You** declare determines the amount **You** receive in the event of a claim and forms part of the premium calculation.

Being underinsured can lead to a shortfall in the claim amount payable by **Us**, where **You** will need to fund the difference.

If at the time of **Damage** the **Declared Value** or **Sum Insured** is less than 85% of the **Insurable Amount**, **We** will reduce **Your** claim proportionately to the difference between the premium that **We** have charged based on the values **You** declare and the premium that **We** would have charged had the value declared been accurate. This remedy is in accordance with **Our** rights under the Insurance Act 2015.

Please refer to the **Insurable Amount** definitions in each Section to understand what **You** need to consider when determining the correct value.

Fair Presentation of a claim

If at any time during the process of making a claim **You**:

- 1 deliberately or recklessly conceal from **Us** any information which **You** know or ought to know might be material to **Our** consideration of any claim;
- 2 provide **Us** with information, which **You** know to be false in respect of the cause of the loss or the losses that **You** are claiming for;
- 3 use fraudulent means or devices, including suppressing a known defence to **Our** liability,

then **We** shall have the option to refuse to pay the whole or any part of that claim.

In the circumstances shown in 2 above, **We** shall have the option to:

- A) terminate the cover provided by all sections of this **Policy** with effect from the date that such information was provided;
- B) recover any sums paid to **You** in respect of losses occurring on or after the date that such information was provided; and
- C) retain any and all premium **You** have paid.

Payment of Premium

Our Agreement

We shall provide cover in accordance with the terms and conditions of this **Policy** and in return **You** shall pay **Us** the premium.

Premium Adjustments for Alteration of Risk

An alteration to **Your Policy** may reduce or increase the level of risk. As such **Your** premium may be affected. This means that:

- 1 **You** shall be required to pay **Us** any appropriate additional premium due where the risk is increased;
- 2 **We** shall return any premium due back to **You** where the risk is reduced.

Where **You** pay by instalments or under a linked loan agreement to payment schedule, **Your** remaining instalments will be adjusted to reflect any additional or return premium due.

Instalments Defaults

If **You** fail to pay instalment payments due under any linked loan agreement or payment schedule, **We** may cancel **Your Policy** and **Your** cover will end.

If You are having trouble paying the premium, You should contact Your broker to discuss Your options.

Premium Adjustment Condition

We do not charge any administration fees or cancellation fees for this **Policy**. **We** will agree to waive any premiums due to **Us** that are less than £25. **We** will not refund any premiums due to **You** that are less than £25.

Cancellation

1 Our right to cancel this Policy

In addition to any cancellation remedies available to **Us** under 'Your Duty of Fair Presentation' **We**:

- A) may cancel this **Policy** by giving 30 (thirty) days' written notice to either **Your** broker or **Your** last known address. **We** will refund any premium due of the difference (if any) between the adjusted premium for the period during which insurance was in force and the premium actually paid. **We** will only do this if **You** have not made a claim during the **Period of Insurance** and the amount to be refunded is greater than £25;
- B) will cancel this **Policy** with immediate effect and without notice if **You**:
 - i) cancel any credit agreement relating to this **Policy** and then fail to pay **Us** immediately the full amount of the premium; or
 - ii) fail to take the action specified in any default notice issued by **Us** before the date shown in it or fail to pay the first or any other subsequent instalments of premium.

The time periods above commence from midnight on the day notice of cancellation is issued.

2 Your right to cancel this Policy

You may cancel this **Policy** at any time by contacting **Your** broker. **We** will pay **You** a pro-rata refund of the annual premium, provided that the amount to be refunded is greater than £25, and:

- A) **You** have not made any claims; and
- B) there are no notifiable incidents or claims,
in the current **Period of Insurance**.

Operation of Your Policy

Contracts (Rights of Third Parties) Act 1999

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**.

This does not affect any right or remedy of a third party which exists or is available outside of the Act.

Law Applicable to this Policy

Unless the parties agree otherwise in writing, the law which applies to this **Policy** is the law which applies to the part of the United Kingdom, Channel Islands, or Isle of Man in which **You** are based.

Any legal proceedings in connection with this **Policy** will only take place in the courts of the part of the United Kingdom, Channel Islands or Isle of Man in which **You** are based.

Other Insurance

We shall not provide cover or be liable to provide any indemnity or payment that is covered by any other policy (or would but for the existence of this **Policy** be covered under any other policy) except for the difference between the amount payable under such other policy and the amounts payable under this **Policy**.

If any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this **Policy**, whether in whole or in part or from contributing rateably, then **Our** liability will be limited to any excess beyond the amount which would have been payable under such other insurance had this **Policy** not been effected.

Sanctions

We shall not provide cover 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.

If any Prohibition takes effect during the **Period of Insurance**, **We** or **You** 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 address.

If the whole or any part of this **Policy** is cancelled, **We** shall, if and to the extent that it does not breach any Prohibition, return a proportionate amount of the premium for the unexpired period subject to minimum premium requirements and provided no claims have been paid or are outstanding.

For the purpose of this clause a Prohibition shall mean any prohibition or restriction imposed by law or regulation including but not limited to:

- 1 any prohibition or restriction under United Nations resolutions;
- 2 any prohibition or restriction under the trade and/or economic sanctions laws and/or regulations of United Kingdom, the European Union, the United States of America (including secondary sanctions) or any other jurisdiction relevant to the parties; and
- 3 any licence requirement and/or regulations in respect of transit and/or export control, under those laws and/or regulations, unless such licence or regulatory approval has been obtained prior to the activity commencing and **We** have approved the provision of insurance for the activity concerned.

Property Damage Insurance

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

What is covered	What is not covered
Events THE FOLLOWING EVENTS ONLY APPLY WHERE SHOWN AS INCLUDED UNDER OPERATIVE EVENTS IN THE SCHEDULE 1 Fire, smoke, lightning, explosion and earthquake. 2 Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons. 3 Storm or flood. 4 Escape of water, beverages or oil from any tank, apparatus, pipe or appliance.	1 Your Contribution as shown in the Schedule. 2 Damage caused by the bursting of any boiler or other plant owned by You or under Your control and in which the internal pressure is due to steam only. However, We will not exclude Damage caused by the explosion of any boiler or gas used only for domestic purposes. 1 Your Contribution as shown in the Schedule. 2 Damage arising from nationalisation, confiscation, requisition or destruction by order of the government or any public authority. 3 Damage arising from stoppage of work. 4 Damage directly caused in the course of theft or attempted theft by malicious persons not acting on behalf of or in connection with any political organisation. 5 Damage to Buildings and Landlord's Contents of Premises which have been Unoccupied for over 45 consecutive days. 1 Your Contribution as shown in the Schedule. 2 Damage caused solely by change in the Water Table Level. 3 Damage caused by frost, Subsidence, Ground Heave or Landslip. 4 Damage caused to fences, gates, hedges or landscaping. 1 Your Contribution as shown in the Schedule. 2 Damage by water discharged or leaking from an automatic sprinkler installation. 3 Damage to Buildings and Landlord's Contents of Premises which have been Unoccupied for over 45 consecutive days. 4 The cost of replacing the oil.

What is covered

- 5 Impact by:
 - A) any road vehicle including any fork lift truck or other industrial vehicle; or
 - B) an aircraft or other aerial devices or articles dropped from them; or
 - C) an animal; or
 - D) collapse or breakage of television or radio receiving aerials or satellite dishes.
- 6 Accidental escape of water from any automatic sprinkler installation.
- 7 Theft or attempted theft.
- 8 **Subsidence, Ground Heave or Landslip.**

What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Escape caused by freezing or unfreezing of the installation or any part of it in any **Building** which is **Unoccupied** for over 45 consecutive days.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** which **You** can recover from another source.
- 3 **Damage to Buildings** which have been **Unoccupied** for over 45 consecutive days.
- 4 **Damage to Landlord's Contents**
 - A) which does not involve forcible entry into or exit from the **Residential Property** or non-residential **Building**;
 - B) in **Residential Properties** which have been **Unoccupied** for over 45 consecutive days.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** arising from the settlement or movement of made-up ground or by coastal erosion or erosion by any water course.
- 3 **Damage** occurring as a result of the construction, demolition, structural alteration or structural repair of **Buildings** or any groundwork or excavation at the **Premises**.
- 4 **Damage** arising from normal settlement or bedding down of new structures.
- 5 **Damage** to car parks, yards, drives, roads, pavements, footpaths, patios, terraces, swimming pools, tennis courts, squash courts, walls, fences, gates and hedges unless there is **Damage** to structural parts of the **Building** at the same time.
- 6 **Damage** to solid floors of residential **Buildings**, or caused because solid floors have moved, unless the walls of such **Property** are damaged by the same cause and at the same time.
- 7 **Damage** caused by or arising from faulty workmanship, design or materials.
- 8 **Damage** commencing prior to the granting of cover under this insurance.

What is covered

- 9
 - A) Falling trees or their branches; or
 - B) Falling television or radio receiving aerials, aerial fittings and masts or satellite dishes.
- 10 Any other accident.

What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** caused by felling or lopping of trees and branches by **You** or on **Your** behalf.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** by any of the **Events** 1-9 or the causes shown under 'What is not covered' for each of these **Events** (whether or not insured).
- 3 **Damage** caused by:
 - A) its own faulty or defective design or materials;
 - B) inherent vice, latent defect, wear and tear; gradual deterioration or any gradually operating cause; or
 - C) faulty or defective workmanship by **You** or **Your Employees**,but this shall not exclude subsequent **Damage** which itself results from an insured **Event**.
- 4 **Damage** caused by:
 - A) corrosion, rust, wet or dry rot, fungus, shrinkage, dampness, dryness, marring, scratching, vermin, pests or insects;
 - B) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of connected steam and feed piping;
 - C) mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which the breakdown or derangement originates,but not:
 - i) such **Damage** which itself results from other **Damage** which is covered by this Insurance;
 - ii) subsequent **Damage** which itself results from an insured **Event**.
- 5 **Damage** caused by pollution or contamination unless resulting from a sudden, identifiable, unintended and unexpected cause which occurs in its entirety at a specific moment in time and place during the **Period of Insurance** and which is not otherwise excluded.
- 6 **Damage** to any **Buildings** or structure caused by its own collapse or cracking unless resulting from a sudden, identifiable and unexpected cause which occurs in its entirety at a specific moment in time and place during any one **Period of Insurance** and which does not result from:
 - A) any **Buildings** being built, demolished or undergoing structural alteration or repair;
 - B) groundworks or excavation works,and is otherwise not excluded.
- 7 **Damage** caused by disappearance or unexplained loss.

What is covered

What is not covered

- 8 **Damage to Buildings and Landlord's Contents of Premises** which have been **Unoccupied** for over 45 consecutive days.

Extensions of Cover

THIS INSURANCE ALSO COVERS

Where the cover provided by this section of the **Policy** is hereby extended under more than one of the extensions, only one **Limit of Liability**, being the largest applicable, will be available to **You** in respect of the loss.

What is covered

What is not covered

1 Additional Sprinkler Costs

The costs incurred in upgrading an automatic sprinkler installation to current LPC Rules solely as imposed upon **You** by **Us** after **Damage to Your Buildings** by any of the insured **Events** 1-10 of this insurance.

provided that at the time of **Damage** the installation conformed to the 28th or 29th Edition Rules or to LPC Rules current at the time of installation but did not conform to subsequent amendments to those Rules.

2 Alterations and Additions to the Buildings

If alterations and additions are made to the **Buildings** during the **Period of Insurance** that are not more specifically insured the **Declared Value** and **Sum Insured** in respect of **Buildings** will be increased by the value of the alterations or additions from practical completion of the work until the renewal date immediately following completion.

3 Archaeological Discoveries

We will pay reasonable costs necessarily incurred following **Damage** as a direct result of **Your** compliance with statutory obligations following the discovery of archaeological finds during site excavation,

provided always that:

- A) **You** do not have any pre-existing knowledge of the presence of archaeological remains prior to commencement of works.

4 Automatic Cover for Newly Acquired/Newly Completed Redeveloped or Refurbished Properties

This insurance is extended to include cover:

- A) from the date of exchange of contracts for **Premises** newly acquired by **You**; or
- B) from the date of practical completion

- 1 **Your Contribution** as shown in the **Schedule**.

- 1 **Your Contribution** as shown in the **Schedule**.

- 2 **Damage to Buildings** insured on another policy.

- 3 Any amount in excess of 10% of the respective **Buildings Declared Value** and **Sum Insured** or £500,000 whichever is the lower amount.

- 1 **Our** liability will not exceed £50,000 any one occurrence.

- 1 This insurance will not apply in respect of any cause or cover otherwise excluded from this Section of the **Policy**.

- 2 **Our** liability for all losses or series of losses arising directly from the same originating cause will not exceed £500,000 any one **Premises**.

What is covered

What is not covered

for **Premises** previously insured under a construction policy within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, to the extent that **Your** interest is not protected by any other more specific insurance,

provided that:

- i) as soon as reasonably practicable **You** will notify **Us** in writing of each premises and arrange specific cover with **Us**;
- ii) the cover under this Extension will operate for a maximum period of 30 days from the date set out in A) or B) above, as applicable;
- iii) in respect of any **Premises** purchased for refurbishment or redevelopment, the 'Alternative Basis of Settlement' noted under 'How We settle claims for Damage to Buildings'/'Additional factors when settling Buildings claims' shall apply;
- iv) in respect of any **Premises** purchased and due for demolition the basis of settlement will be the additional costs associated with clearing and securing the Buildings; and
- v) the insurance under this Extension will be subject to all the terms, definitions, conditions and exclusions of the **Policy**.

Where it is material to the loss, failure to comply with any of these requirements will result in Us not paying Your Property Damage claim.

5 Concern for Welfare Costs

Damage caused by the emergency services or persons acting under their control in gaining access to the **Buildings** as a result of their concern for the welfare of an occupier of the **Premises**, or as a result of a criminal investigation.

- 1 **Your Contribution** as shown in the **Schedule**.

6 Contractors Interest

The interest of the contractor in the **Buildings** is noted as a joint Policyholder where **You** are required to effect insurance on the **Buildings** in the joint names of **You** and the contractor under the terms of a contract condition.

- 1 Any single contract where the original contract price exceeds the **Contract Price** as shown in the **Schedule** unless advised to **Us** prior to work commencing and any additional premium is paid.

7 Cover During Sale of Flats

If the time of **Damage** is between the date contracts are exchanged and the date the sale is completed of any **Flat**, **You** or any of the **Residents** have sold, **We** will pay the person buying the **Flat** in respect of **Damage** insured under **Events** 1 to **Event** 9 of this Insurance once the sale is completed.

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** that is also covered by another policy arranged by or on behalf of the buyer.

What is covered

8 Damage to Landscaping

The costs incurred in:

- A) repairing **Damage** to landscaped gardens and grounds caused by the emergency services when attending the **Premises**;
- B) replanting trees, shrubs, plants and turf used in landscaping,

as a result of **Damage** by any of the insured **Events** 1 to 10 of this Insurance.

9 Documents

Damage resulting from an insured **Event** to documents belonging to or held in trust by **You** whilst temporarily at premises not in **Your** occupation or whilst in transit by road, rail or inland waterway in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

10 Eviction of Squatters Expenses

Your pursuit of **Legal Proceedings** to evict **Squatters** from **Your Premises** or parts thereof, provided that:

- 1 **You** agree with **Us** a **Representative** to act for **You**;
- 2 **You** will need to satisfy **Us** that the chosen **Representative** has the necessary expertise to deal with the **Legal Proceedings**;
- 3 such costs are incurred with **Our** consent;
- 4 **You** shall take all reasonable precautions to avoid any **Premises** or parts thereof becoming occupied by any party other than the party named on the **Tenancy Agreement**;
- 5 **You** must send to **Us** all bills for **Your** chosen **Representative's** legal fees as soon as **You** receive them;
- 6 **We** must be able to contact **Your** chosen **Representative**. If the **Representative** wishes to consult a barrister or expert witness **We** must first be consulted for confirmation that such action is appropriate.

Please note, for England, Wales and Scotland squatting in residential properties is a criminal offence and therefore please contact the police in the first instance.

Where it is material to the loss, failure to comply with these requirements will result in Us not paying Your claim.

What is not covered

1 **Your Contribution** as shown in the **Schedule**.

2 Any amount in excess of £50,000 any one loss.

3 The failure of any plant to germinate or propagate following replacement under this extension.

1 Any amount in excess of £25,000 any one loss.

1 Any pursuit of **Legal Proceedings** exceeding £10,000 during any one **Period of Insurance**.

2 Any claim arising from:

- A) a contract entered into by **You**, other than a lease or **Tenancy Agreement**;
- B) the negotiation, review or renewal of the lease or **Tenancy Agreement**;
- C) the use of the **Premises** as a Holiday Home and/or Short Term Let;
- D) any matter relating to service charges or unauthorised use of electricity, gas, water, oil or telecommunications services;
- E) rent, tax or building regulations or decisions or compulsory purchase orders or restrictions or controls placed on **Your Premises** by any government or public or local authority;
- F) any claim relating to registering rents, reviewing rents, buying the freehold of the **Premises** or any matter that relates to rent tribunals, the leasehold valuation tribunal, land tribunals or rent assessment committees;
- G) any planning application, review or decision;
- H) defending **Your** legal rights, unless for a counter-claim;
- I) the enforcement of a covenant by or against **You**.

3 A **Dispute** where the originating cause of action arises within 90 days of inception of cover under this Section unless equivalent claims made legal expenses insurance was continuously in force immediately prior to inception of the cover provided by this Section.

What is covered

11 Fire Extinguishment Accidental Gas Discharge and Alarm Setting Expenses

The costs incurred by **You** following **Damage** with **Our** consent in:

- A) refilling fire extinguishing appliances;
- B) recharging gas flooding systems;
- C) replacing used sprinkler heads;
- D) refilling sprinkler tanks where costs are metered;
- E) resetting fire and intruder alarms and closed-circuit television equipment.

12 Fly Tipping

The costs reasonably and necessarily incurred with **Our** consent in respect of the clearing and removal of any property illegally deposited in or around the **Premises**.

13 Gardening Equipment

Costs reasonably and necessarily incurred with **Our** consent in respect of **Damage** to gardening equipment owned by **You** and used in connection with the **Business** at the **Premises**.

14 General Interests

The interests of freeholders, lessees, underlessees, assignees and/or mortgagees of **Buildings** covered are noted in this Insurance subject to **You** disclosing their names to **Us** in the event of any claim arising.

15 Glazing Repairs

The costs incurred in:

- A) any necessary boarding up or temporary glazing in order to secure the **Premises** pending replacement of broken glass if a replacement cannot be made at the same time;
- B) the removing and refixing of window fittings, framework and other obstacles to replacement, as a result of **Damage** by any of the insured **Events** 1-10 of this insurance.

16 Illegal Cultivation of Drugs

For the purposes of this Extension only, the Illegal Activities Exclusion does not apply.

Damage to Property Insured at the **Premises** from the manufacture, cultivation, harvest or processing by other method of drugs classed as a controlled substance under the Misuse of Drugs Act (1971).

In respect of **Residential Properties** only:

In order for the cover provided under this Extension to operate **You** must ensure that **You** or anyone acting on **Your** behalf:

- A) completes internal and external inspections of the **Buildings** at least once every 3 months or as

What is not covered

- 1 Any amount in excess of £50,000 any one loss.

- 1 Any amount in excess of £25,000 for any one claim.

- 1 Any amount in excess of £10,000 any one loss.

- 1 **Your Contribution** as shown in the **Schedule**.

- 1 **Your Contribution** of £250.

- 2 Any amount in excess of £25,000 for any one **Premises** or in one **Period of Insurance**.

What is covered

What is not covered

permitted under the lease or tenancy agreement and maintain a log of those inspections for at least 24 months;

- B) obtain, verify and retain written references from a current employer, guarantor or former landlord of any new tenant prior to allowing them to move in;
- C) obtain and retain formal photo identification such as a driving licence or passport of any new tenant prior to allowing them to move in;
- D) obtain and record details of **Your** tenant's bank account and receive at least one payment from such account;
- E) advise **Your** tenant where sub-letting is allowed by the tenancy agreement, that they must follow the measures set out in terms A), B), C) and D) above for all lettings they arrange and make those details available to **You** when reasonably requested;
- F) advise **Your** leaseholder that they must follow the measures set out in terms A), B), C) and D) above if they let out their part of the **Premises** and make those details available to **You** when reasonably requested.

Where it is material to the loss, failure to comply with any of these requirements will result in Us not paying Your Property Damage claim.

17 Inadvertent Omission to Insure

For the purposes of this Extension, Policy Condition 1 (Alteration of Risk) of this **Policy** does not apply.

You having notified **Us** of **Your** intention to insure all property in which **You** have an interest, under this Section, from the start date of the **Period of Insurance** (as stated in the **Schedule**) and it being **Your** belief that all such property is insured under this Section then if thereafter it is found that **You** inadvertently omitted to insure any property in which **You** have an interest (whether at the **Premises** or at other premises in **Your** occupation within the United Kingdom, Channel Islands or Isle of Man) during the **Period of Insurance**, then **We** will deem such property to be insured under this Section subject to the payment of an additional premium required by **Us** on all such property from the start date of the **Period of Insurance** (as stated in the **Schedule**) or from the start date of **Your** interest in such property during the **Period of Insurance** if it was purchased after the start date of the **Period of Insurance**, provided that:

- i) **You** carry out an annual check to ensure that effective insurance is in place for all property in which **You** have an interest;
- ii) **You** undertake to advise **Us** immediately if an omission is discovered;

- 1 This Extension will not apply in addition to any cover provided by Extension 2 (Alterations and Additions to the Buildings) of this Section, or in respect of any appreciation in value.
- 2 The maximum liability under this Extension will not exceed £500,000 in the aggregate during any one **Period of Insurance**.

What is covered

- iii) in respect of any buildings:
 - a) purchased for refurbishment or redevelopment, then the 'Alternative Basis of Settlement' noted under 'How We settle claims for Damage to Buildings'/'Additional factors when settling Buildings claims' shall apply; and
 - b) due for demolition, the basis of settlement will be the additional costs associated with clearing and securing the buildings;
- iv) the value of the property which has been inadvertently omitted will for the purpose of the cost of reinstatement, be added to the **Sum Insured** on the item to which the property relates.

Where it is material to the loss, failure to comply with any of these requirements will result in Us not paying Your Property Damage claim.

18 Incombustible Reinstatement

Following **Damage** the **Policy** extends to include the additional costs of reinstatement incurred with **Our** prior written consent in utilising alternative materials that are incombustible or are Loss Prevention Council approved, provided that:

- A) no payment beyond the amount that would have been payable in the absence of this Extension will be made:
 - i) unless reinstatement commences and proceeds without unreasonable delay and in any case must be commenced within twelve months of the date of the **Damage** or within such further time as **We** may allow during the said twelve months;
 - ii) until the cost of reinstatement has actually been incurred.

19 Index Linking

An adjustment in the **Declared Values** shown on the **Schedule** will automatically be applied in line with the relevant recognised index when **Your Policy** renews.

For **Your** protection **We** will not reduce **Your Sums Insured** if the index moves down unless **You** ask **Us** to.

What is not covered

- 1 **We** will not be liable for:
 - A) any undamaged portions of the **Buildings** insured;
 - B) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **Buildings** or by the owner thereof of the works funded by the application of this Extension;
 - C) the cost incurred in complying with prevailing building or other regulations under or framed in pursuance of any Acts of Parliament or local authority bye-laws under which notice has been served upon **You** prior to the happening of the **Damage**;
 - D) the cost of any improvements scheduled by **You** to take place at the **Premises** prior to the happening of the **Damage**; and
 - E) the first 10% of all costs otherwise payable under the terms of this Extension.
- 2 **Our** liability under this Extension in respect of any one occurrence will not exceed:
 - A) an amount equivalent to 100% of the actual amount paid or payable by **Us** to reinstate the **Damage** to the said **Buildings** in the absence of this Extension; or
 - B) £250,000,

whichever is the lesser.

What is covered

What is not covered

20 Insurance Premiums

The cost of any insurance premiums (or Technical Agent's fees in respect of Latent Defects Policies) incurred by **You** with **Our** consent in arranging contract works insurance policies with **Us** (or in continuing pre-existing Latent Defects policies) following **Damage** to the **Buildings** by any of the insured **Events** 1-10 of this Insurance.

1 **Your Contribution** as shown in the **Schedule**.

21 Involuntary Betterment

The costs described below in the event that **Property** insured suffers **Damage** to the extent that it cannot be economically repaired and replacement property of like kind and quality is not obtainable:

- A) new **Property** that is as similar as possible to that suffering **Damage** and that is capable of performing the same function shall be deemed to be new **Property** of like kind and quality and in no event shall this be considered as a betterment to **You**;
- B) **We** will also pay the cost of purchasing and installing technologically current equipment, which is necessitated by incompatibility between new equipment installed to replace equipment suffering **Damage** and undamaged existing equipment at the same or an interdependent location,

provided that **We** shall:

- i) be liable only for the amount sufficient to enable **You** to resume operations in substantially the same manner as before the **Damage**;
- ii) be liable only for the difference between the highest sales value of the undamaged existing equipment at the same or interdependent location and the installed cost of the technologically current equipment.

22 Loss Reduction Expenses

The reasonable costs and expenses incurred by **You**, to:

- A) prevent or reduce losses in the event of **Imminent Damage** that would have been insured under this **Policy**;
- B) reduce losses arising from **Damage** insured under this **Policy**;

provided that:

- i) the **Imminent Damage** could not reasonably have been foreseen earlier and would have occurred if such costs or expenses had not been incurred; and
- ii) the costs or expenses incurred did avoid or reduce the **Damage**.

1 **Your Contribution** as shown in the **Schedule**.

2 Costs incurred which exceed the amount of **Damage** thereby avoided.

3 Any amount in excess of £25,000 in total for all claims or series of claims, arising out of any one original cause.

What is covered

23 Malicious Damage and Theft or Attempted Theft by Residents

For the purposes of this Extension only, the Illegal Activities Exclusion does not apply.

The insurance in respect of **Events** 2 and 7 is extended to include **Damage** caused by **Residents** or their guests to the **Buildings** and **Landlord's Contents** (if insured) of the **Flat** or other **Residential Property** in which the **Resident** lives.

24 Metered Water, Gas and Heating Oil

The additional costs of metered water, gas and heating oil following **Damage**.

25 Non-Invalidation

This Insurance will not be prejudiced by:

- A) repairs, structural and other alterations all of a minor nature and general maintenance work being undertaken at the **Premises**;
- B) any increase in risk of **Damage** resulting from an alteration, act or omission which occurs without **Your** authority or knowledge or that of any assignee, freeholder, mortgagee or lessor,

but this shall only protect **Your** interest and that of the assignee, freeholder, mortgagee, lessee, underlessee or lessor and will only apply if **We** are notified immediately **You** or they become aware of the increase in risk and any additional premium is paid.

26 Preservation of Undamaged Property

Following **Damage** to any **Buildings** insured, **We** will pay costs necessarily and reasonably incurred by **You** with **Our** consent in dismantling and/or moving undamaged portions of any **Property Insured** within or to and from alternative premises for safekeeping.

27 Privity of Contract

The **Policy** is extended to provide indemnity to **You**:

- A) against legal liability as former landlord or tenant to any landlord or tenant to insure repair or reinstate **Damage** to premises which:
 - i) arises from a breach by any subsequent landlord or tenant of its obligations under a lease to insure repair or reinstate **Damage** to the premises such that **You** are also thereby in breach of those obligations; and
 - ii) arises out of any claim which is first made in writing to **You** during any **Period of**

What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.

- 2 **Damage** arising from the manufacture, cultivation, harvest or processing by other method of drugs classed as a controlled substance under the Misuse of Drugs Act (1971), except to the extent expressly provided in the Illegal Cultivation of Drugs Extension under the Property Damage Insurance section within this **Policy**.

- 1 Any amount in excess of £25,000 in any one **Period of Insurance**.
- 2 Any loss for which remedial action has not been taken within fourteen days of the discovery of the **Damage**.

- 1 Legal liability arising out of any cause happening before the start date of the **Period of Insurance** stated in the New Business **Policy Schedule**.
- 2 Any amount exceeding £2,000,000 for all losses or series of losses arising directly from the same originating cause for **Property Damage** and **Rent** for any one premises; and
- 3 notwithstanding proviso 1 above, in no case will **Our** liability exceed the lesser of:

What is covered

Insurance and notified to **Us** during or within 30 days after expiry of the **Period of Insurance**;

- B) against legal liability for claimant's costs and expenses in connection with A) above; and
- C) in respect of:
 - i) costs of legal representation at proceedings in any court arising out of any occurrence specified in A) above which may be the subject of indemnity under this Extension; and
 - ii) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under A) above incurred with **Our** written consent,

provided that:

- A) **You** must take all reasonable steps including but not limited to making or joining in any necessary application to court to obtain release from its liabilities as former landlord or tenant of the premises following disposal; and
- B) the insurance under this Extension will be subject to all the terms, definitions, conditions and exclusions of the **Policy**.

For the purposes of this Extension premises will mean **Buildings** of which **You** were previously the landlord but no longer the landlord at the date of occurrence or event giving rise to such liability.

28 Reinstatement to Match

Costs reasonably and necessarily incurred with **Our** consent of replacement or modification of undamaged parts of the **Buildings** that form part of a suite, common design or function where the **Damage** is restricted to a clearly identifiable area or to a specific part.

29 Removal of Nests

Costs reasonably and necessarily incurred with **Our** consent in respect of removing bees, wasps and hornets nests from the **Premises**.

30 Replacement of Locks

- A) The reasonable cost of replacement locks and **Keys** in respect of doors and windows for which **You** are responsible and which are necessary to maintain the security of the **Premises**:
 - i) following the accidental loss of **Keys**; or
 - ii) where there is reasonable evidence that such **Keys** have been copied by an unauthorised person;
- B) the cost of changing locks on safes and strongrooms at the **Premises** following theft,

What is not covered

- A) the difference between:
 - i) the amount payable under any insurance effected by any other landlord, former landlord, tenant, former tenant or any other insurance of this type; and
 - ii) the total cost of insurance repairs or reinstatement as provided by this **Policy**, except in cases which fall within B) below;
- B) the difference between:
 - i) the amount payable under any insurance effected by any other landlord, former landlord, tenant, former tenant or any other insurance of this type; and
 - ii) the amount payable on an indemnity basis, being the cost incurred in rebuilding the **Buildings** (or of restoring the damaged parts of other items specified) to a condition substantially the same as but not better or more extensive than their condition when new less an appropriate reduction for wear and tear, if at the date of the occurrence or event giving rise to such liability the premises is intended for renovation, refurbishment or redevelopment;
- C) in either of A) or B) above **Our** rateable portion of the **Damage** calculated according to the number of persons (whether or not insured) who have at the time held or who hold the reversion of the lease of the premises.

- 1 Any amount in excess of the amount that would have been payable had the suite, common design or function been wholly destroyed.

- 1 The cost of removal of any nests already in the **Buildings** before **Your** Insurance cover commences.
- 2 **Our** liability in respect of this Extension will not exceed £2,500 for any one claim.

- 1 Any amount in excess of £15,000 any one claim.

- 1 Any amount in excess of £25,000 in the aggregate as a result of any one event of such theft.

What is covered

where insured by this Section, of **Keys** from the **Premises** or from **Your** home or that of any of **Your** partners or any of **Your** directors or any **Employee** entrusted with **Keys**.

For the purpose of this Extension the definition of **Keys** is:

Any device used to open a lock including but not restricted to any electronic device key card or remote control transmitter.

31 Seventy Two Hours Clause

In respect of **Events** 3 and 4, where insured by this Section, **Damage** occurring continuously or intermittently during any period of 72 hours will be deemed to constitute one claim under this Section for the purpose of the payment of any **Contribution** for which **We** shall not be liable.

In the event of expiry or cancellation of this **Policy** any such period may not end later than the termination of the **Period of Insurance**, such period shall be deemed to have commenced on the first happening of such **Damage**.

32 Temporary Removal

Damage to any parts of the **Buildings** and, if included, **Landlord's Contents** whilst temporarily removed from or in transit to or from the **Premises** for cleaning, renovation, repair, display or similar purposes but only to the extent that they are not otherwise insured.

33 Third Party Failure to Insure

The insurance provided by this Section of the **Policy** extends to include any premises within **Great Britain**, Northern Ireland, the Channel Islands and the Isle of Man, owned or leased by **You** which by virtue of lease requirements are required to be insured by another party and where that party has:

- A) failed to insure against all the **Events** insured by this **Policy**; or
- B) failed to insure for a sufficient amount to provide for reinstatement of the **Buildings** and/or for **Loss of Rent** as specified in the lease; or
- C) invalidated the **Policy** or the claim, provided that:
 - i) immediately on becoming aware of:
 - a) any premises not insured for all the **Events** insured by this **Policy** **You** will arrange insurance for the uninsured **Events**;
 - b) any premises not insured for a sufficient amount to provide for reinstatement of the **Buildings** and/or **Loss of Rent** as specified in the lease **You** will arrange insurance for the reinstatement of the **Buildings** and/or **Loss of Rent** as specified;

What is not covered

- 1 Any **Property** that is insured on another policy.
- 2 Any amount in excess of £50,000 any one loss.
- 3 **Damage** occurring outside the **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

- 1 Any premises covered under the Alterations and Additions to the Buildings or Inadvertent Omission to Insure Extensions.
- 2 Any **Event** which is insured by the third party's policy.
- 3 Any amount in excess of £1,000,000 any one premises for all losses or series of losses arising directly from the same originating cause for **Property Damage** and **Rent**.

In no case will **Our** liability exceed:

- A) the difference between the amount payable under any insurance effected by the third party or any other insurance on the premises and the total cost of reinstatement and **Loss of Rent** as provided by this **Policy**; or
- B) the value of **Your** interest in the premises whichever is less.

What is covered

- c) any facts or circumstances that might invalidate the **Policy** or a claim **You** will notify **Us** accordingly;
- ii) there will be in force at the time of **Damage** a valid and enforceable lease requiring the property to be insured against some or all of the **Events** insured hereby;
- iii) **You** have procedures in place to ensure that the third party effects and maintains adequate insurance and wherever possible **Your** interest is noted and protected by a non-invalidation clause and lapse/cancellation notification undertaking;
- iv) the insurance under this Extension will be subject to all the terms, definitions, conditions and exclusions of the **Policy**.

Where it is material to the loss, failure to comply with any of these requirements will result in Us not paying Your Property Damage claim.

34 Trace and Access and Repair or Replacement

Damage occurring as a result of escape of water, beverages or oil as insured by **Events** 4 and 6 including:

- A) the costs necessarily incurred in locating the source of such **Damage**;
- B) the costs necessarily incurred in repairing and making good any **Damage** caused in locating the source of the **Damage**;
- C) the costs of repairing or replacing tanks, apparatus, pipes or appliances which have been damaged by freezing.

35 Tree Felling and Lopping

The cost of removing or lopping any trees which are an immediate threat to the safety of life or property.

36 Unauthorised Use of Water, Gas, Electricity and Oil

The cost of metered electricity, gas or water for which **You** are legally responsible arising from its unauthorised use by persons taking possession or occupying **Your Premises** without **Your** consent provided that **You** will take all practical steps to terminate such unauthorised use immediately when **You** become aware of it.

What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any amount in excess of £50,000 any one **Event**.
- 3 **Damage** occurring in **Residential Properties** which have been **Unoccupied** for over 45 consecutive days.
- 4 The cost of replacing the oil.

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any costs **You** have to pay solely in order to comply with a Preservation Order.
- 3 Any amount in excess of £2,500 in any one **Period of Insurance**.

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any amount in excess of £25,000 in any one **Period of Insurance**.
- 3 **Damage** unless:
 - A) the **Premises** have been inspected weekly by **You** or a responsible person on **Your** behalf prior to the unauthorised occupation of the **Premises**;
 - B) all practicable steps are taken to terminate such unauthorised occupation and use of the water, gas, electricity or oil as soon as it is discovered.

What is covered

37 Contract Works

The insurance in respect of **Buildings** extends to include **Contract Works** to the extent to which **You** have contracted to arrange cover.

Contract Price: £100,000

What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any amount in excess of the **Contract Price**.
- 3 Non-ferrous metals.
- 4 Any **Property** which is otherwise insured.

The meaning of **Contract Works** and **Contract Price** is included in the General Definitions.

Additional Extensions of Cover applicable to Rent

IF RENT IS SHOWN AS INCLUDED IN YOUR SCHEDULE THIS INSURANCE ALSO COVERS

Where the cover provided by this section of the **Policy** is hereby extended under more than one of the extensions, only one **Limit of Liability**, being the largest applicable, will be available to **You** in respect of the loss.

What is covered

1 Prevention of Access and Loss of Attraction (Damage)

The cover provided is extended to include loss resulting solely and directly from an interruption to the **Business** caused by:

- A) the prevention of access to **Your Premises** or part thereof;
- B) a reduction in the number of customers at **Your Premises**,

solely and directly as a result of **Damage** to property within 1,000 metres of **Your Premises** but excluding **Damage** to property of any supply undertaking which supplies electricity gas water or telecommunications services to **Your Premises**.

For the purpose of this Extension only the maximum **Indemnity Period** shall not exceed 3 months and will apply from the date upon which the **Damage** to property which caused the prevention of access or the reduction in the number of customers to **Your Premises** first occurred.

What is not covered

- 1 Any amount in excess of £100,000 being **Our** maximum **Limit of Liability** for any one **Premises** together and in the aggregate during one **Period of Insurance**.
- 2 Any:
 - A) prevention of access to **Your Premises**; or
 - B) reduction in the number of customers at **Your Premises**,
 caused by or in any way related to any **Damage** to property further than 1,000 metres from **Your Premises**.
- 3 No other Extension, coverage or provision is operative in addition to the **Limit of Liability** under this Extension.

What is covered

2 Prevention of Access (Non Damage)

This Extension only applies if Terrorism Insurance is shown as operative in the Schedule.

The cover provided is extended to include the prevention of access to **Your Premises** or part thereof on the order of a public authority caused solely and directly by an emergency occurring only at **Your Premises** or only within (and not beyond) 1,000 metres of **Your Premises** which is likely to:

- A) endanger human life; or
- B) cause damage to property arising from the:
 - i) unlawful occupation by a third party of a building or part thereof except in the course of any trade disputes including but not limited to strikes, picketing and labour disturbances;
 - ii) suspected or actual existence of an explosive device.

For the purpose of this extension only, the maximum **Indemnity Period** shall not exceed 3 months and will apply from the date from which the order of the public authority is complied with.

3 Failure of Public Supply

Loss of Rent or additional expenditure arising from the failure of the supply 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**.

For the purpose of this Extension and not as otherwise stated the maximum **Indemnity Period** shall be six months.

What is not covered

- 1 Any loss as insured by this extension involving an interruption of less than 12 hours continuous duration.
 - 2 Any loss during any period other than the actual period where access to **Your Premises** was prevented.
 - 3 Any prevention of access to **Your Premises** as a result of **Damage**, or arising from any cause within **Your** direct control including any non-compliance with a prior order or advice of a public authority.
 - 4 Any loss arising directly or indirectly from or in any way connected to:
 - A) disease; or
 - B) weather and/or drought;
 - 5 Any loss occurring in Northern Ireland arising from the suspected or actual existence of an explosive device.
 - 6 Any prevention of access caused by or contributed to by or in any way related to any emergency occurring further than 1,000 metres from **Your Premises**.
 - 7 Any amount in excess of £25,000 this being **Our** maximum **Limit of Liability** for any one **Premises** and in the aggregate during one **Period of Insurance**.
 - 8 No other Extension, coverage or provision is operative in addition to the **Limit of Liability** under this Extension.
- 1 Any loss that occurred during the first 24 consecutive hours of the **Indemnity Period**.
 - 2 Loss as a result of failure of the public supply caused by drought or the deliberate act of any supply authority or service provider or by the exercise by any authority of its power to withhold or restrict supply or services.
 - 3 Any amount in excess of £250,000 after the application of all other terms and conditions of this insurance.
 - 4 Loss as a result of the failure or restriction of the public supply caused by industrial action or strikes.

What is covered

4 Specified Disease

For the purposes of this Extension only, the Disease Exclusion does not apply.

The cover provided is extended to include closure of the **Premises** or part thereof on the order of a public authority caused solely by:

- A) an outbreak of food or drink poisoning as a result of food or drink supplied at the **Premises**; or
- B) the manifestation at the **Premises** of any the following diseases in a human:
Acute encephalitis, Acute poliomyelitis, Anthrax, Chicken Pox, Cholera, Diphtheria, Infectious Bloody Diarrhoea, Legionellosis, Legionnaires Disease, Leprosy, Leptospirosis, Malaria, Measles, Meningitis, Meningococcal septicaemia, Mumps, Paratyphoid fever, Typhoid Fever, Plague as a result of Yersinia Pestis bacteria, Rabies, Rubella, Scarlet fever, Smallpox, Tetanus, Tuberculosis, Viral Hepatitis, Whooping cough, Yellow Fever,

provided that:

- i) the maximum **Indemnity Period** is limited to 3 months and shall apply from the date from which the closure order of the public authority is complied with;
- ii) in respect of a manifestation at the **Premises** of Legionellosis or Legionnaires' disease it is a condition precedent to any liability of **Ours** that at the time of such outbreak at **Your** own **Premises You** shall have been in complete compliance with Health and Safety Executive Approved Code of Practice (ACOP) 1992 unless such non-compliance shall have been notified in writing to **Us** and confirmed as acceptable by **Us**.

5 Murder and Suicide

The cover provided is extended to include murder or suicide occurring at the **Premises**,

provided that the maximum **Indemnity Period** is limited to 3 months and shall apply from the date from which the closure order of the public authority is complied with.

What is not covered

- 1 Any amount in excess of £100,000 being **Our** maximum **Limit of Liability** for any one **Premises** and in the aggregate during one **Period of Insurance** for this Extension.
- 2 No cover is provided under this Extension for any closure of the **Premises** caused by or contributed to by or in any way related to the manifestation of any disease at a place other than the **Premises**.
- 3 No other Extension, coverage or provision is operative in addition to the **Limit of Liability** under this Extension.
- 4 This Extension shall not provide cover in respect of any closure of the **Premises** or part thereof on the order of a public authority caused in whole or in part by a manifestation at the **Premises** of any disease which is part of an outbreak which has been or is or shall be designated or declared as a pandemic by the World Health Organisation or any person or body undertaking substantially the same function. Once any outbreak of a disease has been so designated or declared then for the purposes of this **Policy** it will be deemed that the disease was so designated or declared from the commencement of the outbreak.
- 1 Any amount in excess of £100,000 this being **Our** maximum **Limit of Liability** for any one **Premises** together, and in the aggregate during one **Period of Insurance**.
- 2 No other Extension, coverage or provision is operative in addition to the **Limit of Liability** under this Extension.

What is covered

6 Vermin Pests and Defective Sanitation

The cover provided is extended to include closure of the **Premises** or part thereof on the order of a public authority caused solely by:

- A) the discovery of vermin or pests;
 - B) an accident causing defects in the drains or other sanitary arrangements,
- at the **Premises**,

provided that the maximum **Indemnity Period** is limited to 3 months and shall apply from the date from which the closure order of the public authority is complied with.

7 Managing Agents' Premises

Loss of Rent caused solely by **Damage** by any of the insured **Events** 1-10 of this **Insurance** (and not otherwise excluded) to buildings or other **Property** at any location owned or occupied by **Your** Managing Agents for the purposes of their business in consequence of which **Your Rent** receivable is reduced.

8 Alterations and Additions to the Buildings

If **Rent** is anticipated to increase following alterations and additions to the **Buildings** during the **Period of Insurance** the **Sum Insured** in respect of **Rent** will be increased from practical completion of the work until the renewal date immediately following completion by the amount of additional **Rent** to be received by **You**.

9 Automatic Cover for Newly Acquired Premises

Loss of Rent as a result of **Damage** to any newly acquired or newly constructed premises for which **You** are responsible provided that, as soon as reasonably practicable, **You** shall notify **Us** in writing of each **Building** acquired and arrange specific cover with **Us**.

10 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 **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**.

What is not covered

1 Any amount in excess of £100,000 this being **Our** maximum **Limit of Liability** for any one **Premises** together, and in the aggregate during one **Period of Insurance**.

2 No other Extension, coverage or provision is operative in addition to the **Limit of Liability** under this Extension.

1 Any amount in excess of 10% of the **Rent Sum Insured** for these **Premises** or £250,000 whichever is the lower amount after the application of all other terms and conditions of this Insurance.

2 **Damage** occurring outside **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

1 **Loss of Rent** insured on another policy.

2 Any amount in excess of 10% of the respective **Rent Sum Insured** or £500,000 whichever is the lower amount after the application of all other terms and conditions of this Insurance.

1 **Loss of Rent** insured on another policy.

2 **Damage** occurring after a period of 30 days from the date **You** acquired **Your** interest in the **Buildings**.

3 Any amount in excess of:

- A) £250,000 any one claim for **Buildings** and **Rent** of any **Residential Properties** (excluding blocks of **Flats**); or
- B) £500,000 any one claim for **Buildings** and **Rent** in respect of any other premises.

4 **Damage** occurring outside **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

What is covered

11 Residential Properties

If **Buildings** that are occupied totally or partially for residential purposes suffer **Damage** the following extensions in cover apply:

A) Alternative Accommodation Costs

We will pay the costs **You** incur in providing similar short-term 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;

B) Rent

If no **Sum Insured** on **Rent** received from the **Residential Property** is included on the **Schedule**, **We** will cover **Loss of Rent** in respect of such **Property** in accordance with “How We settle claims in respect of Rent of Buildings which suffer Damage” except for the provisions of paragraph 3 B).

The paragraphs headed Underinsurance in respect of Rent shall not apply to the cover provided by this Extension.

12 Book Debt

THIS EXTENSION ONLY APPLIES IF BOOK DEBT IS SHOWN AS INCLUDED IN THE SCHEDULE

If **Your** account books or other **Business** books or records whilst on **Your Premises** or temporarily removed to any premises in the United Kingdom, the Isle of Man or the Channel Islands or in transit between them, sustain **Damage** by any of the **Events** insured under this **Policy** which results in **Your** inability to trace or establish the **Outstanding Debit Balances** **We** will pay to **You** the amount of loss resulting from such **Damage** in accordance with the provisions of the cover provided that **Our** liability in the **Period of Insurance** shall not exceed in the whole the total **Sum Insured** by the item stated in the **Schedule**.

What is not covered

1 Any amount in excess of the **Limit of Liability** shown in the **Schedule** in respect of Alternative Accommodation Costs, which applies in total in respect of the cover provided under A) and B) of this extension, after the application of all other terms and conditions of this insurance.

1 Any costs **You** or the **Residents** incur once the **Buildings** can be lived in again.

2 Any costs **You** agree to pay without **Our** written permission.

1 **Damage** caused by:

A) erasure or distortion of information on computer systems or other records:

- i) due to the presence of a magnetic flux;
- ii) the failure breakdown or malfunction of equipment;
- iii) error in the operating of equipment;
- iv) due to defects in such records;

2 loss as a result of any fraudulent or other criminal act for the purpose of obtaining money from **You** or alteration, manipulation or falsification of records for the purpose of concealing such an act;

3 loss as a result of any bookkeeping, accounting or other errors or omissions;

4 loss as a result of disappearance, misfiling or misplacing of information or any loss only revealed by periodic check or audit;

5 loss as a result of the deliberate act of the public supply undertaking in restricting or withholding electricity supply;

6 loss as a result of any wear and tear and gradual deterioration, vermin, rust, damp or fungus; or

7 loss as a result of theft from any unattended vehicle.

What is covered

What is not covered

13 Automatic Rent Review

Where the **Rent** is subject to a rent review during the **Period of Insurance** the relevant sum insured will be automatically increased to reflect the revised **Rent** receivable earned up to a maximum increase of 100% of the **Rent Limit of Liability** stated on the **Schedule**.

No additional premium will be charged for this increase in cover during the **Period of Insurance** provided that **You** advise **Us**, prior to renewal, of the revised **Rent** receivable for the next **Period of Insurance**.

THIS PROPERTY DAMAGE INSURANCE (INCLUDING ALL EXTENSIONS OF COVER) ALSO DOES NOT COVER

1 Illegal Activities

Damage (including malicious damage) caused as a result of the **Premises** being used by occupants for illegal activities.

This Exclusion shall apply regardless of any other term of this **Policy** except to the extent expressly provided in the Illegal Cultivation of Drugs Extension and the Malicious Damage and Theft or Attempted Theft by Residents Extensions under the Property Damage Insurance section within this **Policy**.

How We settle claims for Damage to Buildings

If any of the **Buildings** described in the **Schedule** suffer **Damage** by any **Event** covered under this Insurance during the **Period of Insurance** **We** will pay **You** the amount of loss or at **Our** option reinstate or replace such **Property** provided that **Our** liability in any one **Period of Insurance** shall not exceed in respect of each item on **Buildings** the **Sum Insured** shown in the **Schedule** or any other stated **Limit of Liability**.

Our liability may exceed the **Sum Insured** when such excess is solely in respect of Value Added Tax.

As long as the **Damage** is covered under this Insurance **We** will pay **You**:

Cost A

The **cost of reinstatement** which is:

- 1 the cost of rebuilding where the **Building** is destroyed or the cost of replacement by similar **Property**;
 - 2 the cost of repairing or restoring the damaged portions where the **Property** is damaged,
- all to a condition substantially the same as but not better or more extensive than its condition when new.

Cost B

The **cost of complying with Public Authorities requirements** which is the additional cost of reinstatement of the **Property** incurred with **Our** consent in complying with Building Regulations or local authority or other statutory requirements imposed upon **You** following **Damage** unless **You** knew that **You** needed to meet any regulations or conditions and a notice had been served on **You** before the **Damage** occurred.

We will not pay any rate, tax, duty, development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the above regulations or requirements.

Our liability in respect of the cost of complying with such regulations relating to undamaged portions of the **Buildings** (other than the foundations) is limited to 15% of the amount **We** would have been liable to pay to reinstate the **Buildings** had they been wholly destroyed.

Cost C

The **cost of removing debris** which is the cost incurred with **Our** consent in:

- 1 removing debris from the site of the **Premises** and the area immediately adjacent;
- 2 dismantling and/or demolishing, or shoring up or propping of the portion or portions of the **Property**;
- 3 clearing, cleaning and/or repairing **Services**,

in consequence of **Damage** caused by any of the **Events** insured occurring at the **Premises** belonging to **You** or for which **You** are responsible.

We will also cover the costs reasonably and necessarily incurred with **Our** consent to sort, segregate and transport recyclable debris to recycling facilities anywhere in the United Kingdom, the Channel Islands or the Isle of Man, following **Damage** to the **Building**, up to a maximum of 25% of the total amount paid or payable in respect of 1, 2 and 3 above.

We will not pay for any costs or expenses:

- i) incurred in removing debris except from the site of such **Property** sustaining **Damage** and the area immediately adjacent to such site;
- ii) arising from pollution or contamination of **Property** not insured by this Section.

Cost D

The **cost of professional fees** which are those professional fees necessarily incurred in the reinstatement of the **Property** but not for preparing any claims.

Additional factors when settling Buildings claims

When We Reinstate or Replace Property

We may at **Our** own option reinstate or replace any **Property** destroyed or damaged without being bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner.

Rebuilding on Another Site

The **Buildings** may be wholly or partially rebuilt on another site and in any manner suitable to **Your** requirements provided that it does not increase **Our** liability.

Partial Damage

Where **Damage** occurs to only part of the **Property** **Our** liability shall not exceed the amount which **We** would have been liable to pay had the **Property** been wholly destroyed.

Obsolete Building Materials

If the **Buildings** or damaged parts cannot be restored to their original form, **We** will rebuild or restore them with materials of a similar quality. In this instance, the **Buildings** will not be regarded as being in better condition than new, provided that **Our** liability for any additional costs does not exceed 5% of the **Declared Value** for that item.

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 Cost C above, which is incurred by **You** solely as a result of such **Damage**.

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**.

Removal of Debris – Residents' Contents

In respect of **Damage** to **Residential Properties** Cost C above is extended, subject to exclusions i) and ii), to include the irrecoverable costs and expenses necessarily incurred by **You** with **Our** consent in removing from the **Buildings** the debris of contents (not being **Your Property**) which suffer **Damage**. **We** will not pay more than £25,000 for such costs in respect of any one **Premises**.

Further Investigation Costs

If **Your Buildings** have suffered **Damage** and in the opinion of a competent construction professional there is a reasonable possibility of other **Damage** to parts of the same **Buildings** which is not immediately apparent, **We** will pay the costs incurred by **You** with **Our** prior consent in establishing whether further **Damage** has occurred. **We** will also pay the costs incurred by **You** in establishing whether other **Buildings** owned by **You** in the immediate vicinity have suffered **Damage** in the same incident.

Alternative Basis of Settlement

Our liability shall be limited to the Alternative Basis of Settlement:

- 1 if **You** do not rebuild or restore the **Buildings**;
- 2 until the cost of reinstatement has actually been incurred;
- 3 if the work of reinstatement is not carried out as quickly as is reasonably practicable;
- 4 if at the time of its **Damage** the **Property** is covered by any other insurance effected by **You** or on **Your** behalf and such other insurance is not on the identical basis of reinstatement defined in Cost A above;

5 if in the **Schedule** it is stated that the Alternative Basis of Settlement applies.

Where the Alternative Basis of Settlement applies **We** will pay the reduction in market value of the **Buildings** immediately following the **Damage** solely as a result of the **Damage** but not exceeding the amount which would have been payable had the **Buildings** been rebuilt or repaired.

Underinsurance in respect of Buildings

If at the time of **Damage** the **Declared Value** is less than 85% of the **Insurable Amount**, **You** will be responsible for the difference.

We will reduce **Your** claim proportionately to the difference between the premium that **We** have charged based on the values **You** declare and the premium that **We** would have charged had the value declared been accurate. This remedy is in accordance with **Our** rights under the Insurance Act 2015.

Insurable Amount is the total of the above Costs A, B, C and D in reinstating the **Buildings** to a condition substantially the same as when new at the level of costs applying at the commencement of the **Period of Insurance**.

However, if the loss is settled under the Alternative Basis of Settlement the **Declared Value** of the relevant item shall be 115% of the base value shown and the Insurable Amount shall be the total of the value at the time of the **Damage** of the **Property** insured by the item and the additional Costs B, C and D above.

Value Added Tax

We will pay the Value Added Tax payable by **You** which **You** are not subsequently able to recover, provided that:

- 1 A) **Your** liability for such tax arises solely from the rebuilding or restoration of the **Buildings** following **Damage**;
B) **We** have paid or agreed to pay for such **Damage**;
C) if the payment **We** make in respect of the rebuilding or restoration is less than the actual cost of rebuilding or restoration, **We** will only pay the same proportion of the Value Added Tax applicable;
- 2 **Your** liability for such tax does not arise from the replacement **Buildings** having a greater floor area than or being in a better condition or more extensive than the destroyed or damaged **Buildings**;
- 3 if the **Buildings** are rebuilt on another site following **Damage**, **We** will not pay more Value Added Tax than **We** would have done had the rebuilding been completed on its original site;
- 4 **We** will not pay any amounts in relation to penalties imposed upon **You** for late or non-payment of Value Added Tax;
- 5 any terms to the contrary elsewhere in this **Policy** are over-ridden as follows for those items to which this clause applies.

The paragraph headed 'Underinsurance in respect of Buildings' shall be exclusive of Value Added Tax **Our** liability may exceed the **Sum Insured** by an individual item on **Buildings** or in the whole the total **Sum Insured** where such excess is solely in respect of Value Added Tax.

You must include Value Added Tax within the **Building Declared Value** where it is known not to be recoverable.

How We settle claims for Damage to Landlord's Contents

If any of the **Property** insured under **Landlord's Contents** suffers **Damage** by any **Event** covered under this Insurance **We** will pay **You** the amount of loss or at **Our** option repair or replace such **Property** provided that **Our** liability in any one **Period of Insurance** shall not exceed in respect of each item on **Landlord's Contents** the **Sum Insured** shown in the **Schedule** or any other stated **Limit of Liability**.

Where the **Damage** can be economically repaired, **We** will either arrange or authorise repair and **We** will pay the cost of repair. Otherwise, **We** will replace the item with a new one of similar quality through **Our** preferred suppliers or, if a replacement is not available, **We** will pay the replacement cost of a new item of similar quality.

If **We** agree at **Your** request not to repair or replace an item **We** will make a cash or voucher payment equal to the cost **We** would have paid for replacement or repair through **Our** preferred suppliers.

How We settle claims for Damage to Data Processing Media

We will pay the cost to repair or replace the **Data Processing Media** itself plus the costs of copying the **Data** from back-ups or from originals of a previous generation but this shall not include:

- 1 research and engineering nor any costs of recreating gathering or assembling the **Data**; or
- 2 the value of such **Data** to **You** or any other party, even if such **Data** cannot be recreated, gathered or assembled.

Should such **Data Processing Media** not be repaired replaced or restored the **Insurance Provided** shall be the cost of the blank **Data Processing Media**.

Provided always that the cost to repair or replace the **Data Processing Media**, including the costs of copying **Data**, shall not exceed £10,000 in respect of any one **Event**.

Additional factors when settling Landlord's Contents claims

Undamaged items or parts of items

When the **Damage** relates to a specific part of an item or to a clearly defined area **We** will not pay the cost of replacing or changing undamaged items or parts of items which belong to a set or suite, or which have a common design or use such as suites of furniture and floor coverings which are only damaged in one area.

Loss of Value

We will not pay for any loss of value to any item that **We** have repaired or replaced.

Underinsurance in respect of Landlord's Contents

If at the time of **Damage** the **Declared Value** is less than 85% of the **Insurable Amount**, **You** will be responsible for the difference.

We will reduce **Your** claim proportionately to the difference between the premium that **We** have charged based on the values **You** declare and the premium that **We** would have charged had the value declared been accurate. This remedy is in accordance with **Our** rights under the Insurance Act 2015.

Insurable Amount is the total of the above Costs A, B, C and D reinstating the property insured to a condition substantially the same as when new at the level of costs applying at the commencement of the **Period of Insurance**.

How We settle claims in respect of Rent of Buildings which suffer Damage

If **Rent** is noted as operative in the **Schedule** **We** will pay **You** the following amounts in respect of **Buildings** which have suffered **Damage**:

- 1 **Loss of Rent**;
- 2 **Costs of Reletting**;
- 3 the additional costs incurred that are necessary to reduce the **Loss of Rent** during the **Indemnity Period** but not exceeding:
 - A) the amount of reduction avoided; plus
 - B) 5% of the **Rent Sum Insured** or £250,000 whichever is the less.

Additional factors when settling Rent claims

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.

Buildings Awaiting Sale

If at the time of the **Damage** **You** have contracted to sell the **Buildings** or have accepted an offer in writing to purchase the **Buildings** subject to contract, and the sale is cancelled or delayed solely as a result of the **Damage**, provided that **You** make 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:

- 1 during the period prior to the date which but for the **Damage** the **Buildings** would have been sold:
Loss of Rent;
- 2 during the period commencing with the date 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, being:
 - A) the actual interest incurred on capital borrowed (solely to offset in whole or part the loss of use of the sale proceeds) for the purpose of financing the **Business**;
 - B) the investment interest lost to **You** on any balance of the sale proceeds (after deduction of any capital borrowed as provided under A),
less any amount in respect of **Rent**;
- 3 Additional Expenditure being:
 - A) the additional costs incurred that are necessary to reduce the **Loss of Rent** or Loss of Interest under 1 or 2 above during the **Indemnity Period** but not exceeding:
 - i) the amount of reduction avoided; plus
 - ii) 5% of the **Rent Sum Insured** or £250,000 whichever is the less;
 - B) the additional legal fees and other expenditure incurred solely as a result of the cancellation or delay in consequence of the **Damage** but not exceeding either an amount equivalent to the expenditure incurred immediately prior to the **Damage** or £50,000 whichever is the less,

except the amount **We** pay shall 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 may be reasonably practicable the actual loss suffered by **You**.

Savings

If following **Damage** **You** use other premises to provide accommodation to tenants or prospective tenants of the **Buildings**, the **Rent** received from those premises during the **Indemnity Period** shall be taken into account in assessing the **Loss of Rent**.

If any charge or expenses payable out of **Rent** shall cease or reduce during the **Indemnity Period** as a result of the **Damage**, the sum saved shall be deducted from the amount otherwise payable.

Material Damage requirement

- A) payment must have been made or liability admitted for the **Damage** under an insurance covering **Your** interest in the **Building**; or
- B) payment would have been made or liability admitted for the **Damage** but for the operation of a term in such insurance excluding liability for losses below a specified amount.

Professional Accountants' and Legal Charges

We will pay the reasonable charges payable by **You** to:

- A) **Your** professional accountants for producing information required by **Us** under the terms of the Claims Conditions and for reporting that such information is in accordance with **Your** accounts;
- B) legal advisers for determining **Your** contractual rights under any rent cesser clause or insurance break clause contained in the lease but not for any other claims preparation costs.

Late Payment of Rent

We will attempt to pay any claim for **Loss of Rent** on the same date as the **Rent** would have been paid to **You** by the tenant. If **We** pay at a later date then **We** will also pay an amount representing the loss of interest suffered by **You** during the delay period.

Payments on account

Payments on account may at **Our** discretion be made during the **Indemnity Period** if requested by **You**.

Underinsurance in respect Rent

If at the time of **Damage** the **Sum Insured** for **Rent** is less than 85% of the **Insurable Amount**, **You** will be responsible for the difference.

We will reduce **Your** claim proportionately to the difference between the premium that **We** have charged based on the values **You** declare and the premium that **We** would have charged had the value declared been accurate. This remedy is in accordance with **Our** rights under the Insurance Act 2015.

The **Insurable Amount** shall be the annual **Rent** receivable at the commencement of the **Period of Insurance** or, if the **Buildings** are untenanted at that date, the actual annual **Rent** at which the **Buildings** were subsequently let (or the estimated annual **Rent** at which they are expected to be let).

If the **Buildings** are subject to a **Rent** free period concession at the start of the **Period of Insurance** the **Insurable Amount** shall be the annual **Rent** that applies from the date immediately after the **Rent** free period ceases.

In each case the amount to be proportionately increased to correspond with the **Indemnity Period** where that period exceeds twelve months.

Book Debt – how We settle claims

If **Book Debt** is included and **Damage** by any **Event** covered under this Insurance occurs at the **Premises** to **Property** which prevents **You** from tracing or establishing customers' **Outstanding Debit Balances** in whole or in part due to **You**.

We will pay **You**:

- 1 the difference between:
 - A) the **Outstanding Debit Balances** and the total of the amounts received or traced in respect thereof;
 - B) the additional expenditure incurred with **Our** consent in tracing and establishing customers' debit balances after the **Damage**; and
 - C) auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this Section,

provided that if the **Sum Insured** stated in the **Schedule** is less than the **Outstanding Debit Balances** the amount payable will be proportionately reduced.

Requirements You must comply with to minimise loss of Outstanding Debit Balances

Duplicate Records

It is a requirement of the insurance in respect of **Book Debt** that **You** shall maintain a record elsewhere than in the building in which the original records are kept showing the total amount outstanding in the credit accounts of the **Business** at the end of each month and in the event of **Damage** giving rise to a claim shall supply that record to **Us**.

Where it is material to the loss, failure to comply with this requirement will result in Us not paying Your claim.

Other considerations when settling any claims under this Insurance

Designation

Where necessary the item heading under which any **Property** is insured shall be determined by the designation under which such **Property** appears in **Your** books.

Workers

We accept that this Insurance will not be prejudiced by the presence of workers on the **Premises** for the purpose of effecting repairs and minor structural and other alterations and also for general maintenance purposes and the like.

Plans and Documents in Support of the Claim

You shall at **Your** own expense produce and provide **Us** with all such plans, documents, books and information as **We** may reasonably require.

Transfer of Interest

If at the time of any insured **Damage** to any **Buildings** covered by this Insurance **You** shall have contracted to sell **Your** interest in such **Buildings** and the purchase is subsequently completed the purchaser shall be entitled on completion of the purchase to the benefit of this Insurance in respect of such **Damage**. Such benefit shall be without prejudice to **Your** or **Our** rights and liabilities under this Insurance and up to the date of completion of the purchase provided the **Buildings** are not insured by the purchaser or on their behalf against such **Damage** on another policy.

In respect of **Rent** (if included) where **Damage** has occurred prior to exchange of contracts and the purchase is subsequently completed the purchaser shall be entitled on completion of the purchase to the benefit of the Rent insurance to the same extent as **You** would have if the **Buildings** had not been sold.

Automatic reinstatement after a loss

If any of the **Property Insured** described in the **Schedule** suffers **Damage** at the **Premises** insured and **Loss of Rent** resulting therefrom by any of the insured **Events**, the **Sum Insured** in respect of the Property Damage Insurance shall be reduced in whole or in part by the amount of any such **Damage** and **Loss of Rent**.

In the absence of written notice by **You** or **Us** to the contrary within 30 days of the occurrence of any **Damage**, **Our** liability shall not be reduced by the amount of any loss,

provided that:

- 1 **You** shall pay the appropriate additional premium for such automatic reinstatement of cover if required by **Us**;
- 2 **We** will not be liable in respect of any one **Event** for more than the **Policy Sum Insured** or other **Limit of Liability** applicable to the Property Damage Insurance cover;
- 3 any **Limit of Liability** described as applying in the aggregate during the **Period of Insurance** shall not be reinstated;
- 4 **You** shall take immediate steps to effect additions to or variations in the protections of the **Property Insured** as **We** may require;
- 5 automatic reinstatement will not apply in respect of the cover for **Book Debt**.

Terrorism Insurance

THIS INSURANCE DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE

Notwithstanding any provisions to the contrary within this **Policy**, the insurance in respect of all items, Clauses or Extensions, insured by the insurances shown in the Terrorism Insurance section of the **Schedule**, are extended to include Terrorism Insurance as specified in the Heads of Cover below.

Terrorism Insurance Heads of Cover:

- 1 **Damage**;
- 2 **Non-Damage**; and
- 3 loss resulting from **Damage to Property**,

to the extent and insofar that they are insured by this **Policy** in the Territories stated below, the proximate cause of which is an **Act of Terrorism**, where any **Act of Terrorism** within **Great Britain** must be certified as such by HM Treasury or a tribunal as may be agreed by HM Treasury, provided always that Terrorism Insurance is:

- A) subject to Exclusions 1-3 below; and
- B) not subject to any other exclusions stated in this **Policy**,

provided also that **Our** liability in any one **Period of Insurance** shall not exceed:

- i) in the whole the total **Sum Insured**; and
- ii) in respect of any item its **Sum Insured**, or any other stated **Limit of Liability** specified in the **Schedule** or elsewhere in the **Policy**,

whichever is the lower subject always to the limit(s) applying to Terrorism Insurance shown against the **Territories** stated below after the application of all the provisions of the insurance including **Your Contribution** or Excess.

Territory	Limit of Liability
A) Great Britain	As otherwise specified in the Schedule or this Policy
B) Elsewhere in the world	Not insured

Conditions

- 1 In any action, suit or other proceedings where **We** allege that any **Damage**, **Non-Damage** or loss resulting from **Damage to Property** is not covered by this Terrorism Insurance the burden of proving that such **Damage**, **Non-Damage** or loss is covered shall be upon **You**.
- 2 Any terms in this **Policy** which provide for adjustments of **Premium** based upon declarations on expiry or during the **Period of Insurance** do not apply to Terrorism Insurance.
- 3 If this **Policy** is subject to any Long-Term Agreement/Undertaking, it does not apply to Terrorism Insurance.

All the terms, definitions, provisions, conditions, and extensions of this **Policy** apply except in so far as they are expressly varied by the Terrorism Insurance section.

Exclusions

Terrorism Insurance does not cover:

1 Riot civil commotion War and Allied Risks

Any loss or **Damage** whatsoever or any consequential loss directly or indirectly occasioned by or happening through or in consequence of riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

2 Electronic Risks

Any loss or **Damage** whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:

A) **Damage** or **Non-Damage** to or the destruction of any **Computer System**; or

B) any alteration, modification, distortion, erasure or corruption of **Data**; and

in each case whether **Your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**.

3 Nuclear Risks and Chemical, Biological and Radiological Contamination

Any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:

A) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

B) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;

C) chemical and/or biological and/or radiological irritants, contaminants, or pollutants,

in respect of property situated outside **Great Britain**.

Special Provision

1 Cyber Terrorism

This Special Provision applies only to:

- A) Terrorism Insurance Heads of Cover 1 and 3; and
- B) **Property** situated within **Great Britain** except it is not a requirement of cover for the person(s) initiating the **Act of Terrorism** to be sited in England, Wales, or Scotland, and does not apply to:
 - i) Terrorism Insurance Head of Cover 2; or
 - ii) Property situated outside **Great Britain**; or
 - iii) **Residential Property** insured in the name of a **Private Individual**.

Electronic Risks Exclusion 2A) and 2B) above shall not apply to any **Covered Loss** provided that such **Covered Loss**:

- 1 results directly (or, solely as regards 2C) below, indirectly) from fire, explosion, flood, escape of water, beverages, or oil from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any **Computer System**; and
- 2 comprises:
 - A) the cost of reinstatement, replacement or repair in respect of damage to or destruction of **Property** insured by **You**; or
 - B) the amount of business interruption loss suffered directly by **You** by way of loss of or reduction in profits, revenue or turnover or increased cost of working and not by way of liability to any third party as a direct result of either:
 - i) damage to or destruction of **Property** insured by **You**; or
 - ii) as a direct result of denial, prevention or hindrance of access to or use of the **Property** insured by **You** by reason of an **Act of Terrorism** causing damage to other property within one mile of the **Property** insured by **You** to which access is affected; or
 - C) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment, or relocation of an event as a result of damage to or destruction of **Property** and any additional costs or charges reasonably and necessarily paid by **You** to avoid or diminish such loss; and
- 3 is not proximately caused by an **Act of Terrorism** in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country, or state.

The meaning of **Property** for the purposes of this Special Provision shall additionally exclude:

- A) any money (including “**Money**” as defined within this **Policy**), currency, electronic cryptographic or virtual currency including bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever; and
- B) any **Data**.

Notwithstanding the exclusion of **Data** from **Property**, to the extent that damage to or destruction of **Property** within the meaning of 2 within this Special Provision, indirectly results from any alteration, modification, distortion, erasure or corruption of **Data**, because the occurrence of one or more of the matters referred to in 1 within this Special Provision results directly or indirectly from any alteration, modification, distortion, erasure or corruption of **Data**, that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such property from being recoverable under this Special Provision.

In no other circumstances than the previous paragraph, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **Data** be recoverable under this Terrorism Insurance.

Definitions

Where the following defined words appear elsewhere in this **Policy**, they are replaced only in respect of this Terrorism Section by the definitions below. All other definitions remain unchanged.

Act of Terrorism

means acts of persons acting on behalf, of or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of HM Government in the United Kingdom or any other government de jure or de facto.

Computer Systems

means a computer or other equipment or component or system or item which processes, stores, transmits, or receives **Data**.

Covered Loss

means all losses arising under Terrorism Insurance Heads of Cover 1 and/or 3 of this Terrorism Insurance section that occurs in the **Territory**, the proximate cause of which is an **Act of Terrorism**.

Damage

means physical loss, destruction or damage.

Data

means data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatsoever.

Denial of Service Attack

means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **Computer Systems**.

The definition of Denial of Service Attack includes, but is not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **Computer Systems**.

Great Britain

means England, Wales and Scotland (including the Channel Tunnel up to the frontier with the Republic of France as defined by the Treaty of Canterbury 1986) but not the territorial seas adjacent to (as defined by the Territorial Sea Act 1987).

Hacking

means unauthorised access or legitimate access resulting in unauthorised acts to any **Computer System** by whatever means, whether **Your** property or not.

Non-Damage

means all losses arising as a result of interruption or interference with **Your Business** in consequence of:

- A) access to, exit from or use of any premises located within the **Territory** owned or occupied by **You** being impaired or prevented due to the actions of the police, competent authority or any other statutory authority, the proximate cause of which is an **Act of Terrorism**; and/or
- B) an **Act of Terrorism** in the vicinity of, but in no event further than 1 mile from, any premises within the **Territory** owned or occupied by **You** which results in the business carried on at such premises having a diminished attraction to customers and solely in consequence thereof, an identifiable reduction in **Your Business**, but in no event shall the maximum period of indemnity for such interruption or interference with the business exceed 3 months.

Nuclear Installation

means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for:

- A) the production or use of atomic energy; or
- B) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations; or
- C) the storage, processing, or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

Nuclear Reactor

means any plant (including any machinery, equipment, or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Phishing

means any access or attempted access to **Data** or a **Computer System** made by means of misrepresentation or deception whether effected by or to a human, a **Computer System**, an AI system or by whatever means.

Private Individual

means any:

- 1 individual; or
- 2 beneficiaries of or trustees of a trust where insurance is arranged under the terms of a trust; or
- 3 beneficiaries or executors of a will; or
- 4 sole traders,

where **Residential Property** is occupied by the individual, a beneficiary or trustee of a trust, or a beneficiary or executor of a will, or sole trader as their private residence(s), unless more than 20% commercially occupied (either by floor area or on the basis of the number of days that the **Property** is open to public).

The definition of Private Individual shall include two or more persons where insurance is arranged in their several names and/or the title of the policyholder includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the **Property Insured**.

Property

means **Property Insured** (as defined within this **Policy**), but excluding:

- 1 any land or building which is occupied as a private residence or any part thereof which is so occupied unless:
 - A) insured under the same contract of insurance as the remainder of the building which is not a private residence and is more than 20% commercially occupied (either by area or on the basis of the number of days that the Property is open to public); or
 - B) not insured in the name of a **Private Individual**; or
- 2 any **Nuclear Installation** or **Nuclear Reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **Nuclear Installation** or **Nuclear Reactor**.

Residential Property

means houses and blocks of flats and other dwellings (including household contents and personal effects of every description).

Virus or Similar Mechanism

means any program code, programming instruction or any set of instructions constructed with the purpose and ability, or generated or operated by an AI system, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **Computer Systems**, **Data** or operations, whether involving self-replication or not.

The definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate, or monitor as above.

Liability Insurance

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

The insurance provided by Section 1 is on a costs inclusive basis whereby the costs and expenses of the claimant and the costs and expenses (incurred by **Us** or with **Our** written approval) of any **Person Entitled to Indemnity** are included within the **Limit of Indemnity** stated in the **Schedule**.

Section 1 Employers' Liability

What is covered

Any **Person Entitled to Indemnity** is covered:

- 1 against legal liability for damages in respect of **Injury** of any **Person Employed** caused during any **Period of Insurance**:
 - A) in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man; or
 - B) while temporarily outside these territories arising out of and in the course of employment by **You** in the **Business**.
- 2 in respect of:
 - A) claimants costs and expenses which **You** are legally liable to pay in connection with any claim;
 - B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death;
 - C) i) costs of legal representation at proceedings in any **Court** arising out of any alleged breach of statutory duty resulting in **Injury** including the defence of any criminal proceedings brought against **You** or **Your** director or partner or **Employee** for an offence of Corporate Manslaughter or Corporate Homicide or a breach of the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978;
 - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success;
 - D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Insurance Section,

incurred with **Our** prior written consent.

What is not covered

- 1 **Radioactive Contamination**
Any legal liability directly or indirectly caused by, or contributed to by, or arising from:
 - A) ionising radiation or radioactive contamination from any nuclear fuel or waste which results from the burning of nuclear fuel; or
 - B) the radioactive, toxic, explosive or other dangerous properties of any nuclear assembly or any part of it,

where the legal liability is:

 - i) that of any principal;
 - ii) accepted under an agreement without which the legal liability would not exist.
- 2 **Road Traffic Legislation**
Any legal liability for **Injury** in respect of which **You** are required to arrange insurance or security in accordance with road traffic legislation.
- 3 **Fines or Penalties**
Any legal liability for:
 - A) fines or penalties;
 - B) the costs of appeal against any improvement or prohibition notices;
 - C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012;
 - D) compensation ordered or awarded by a Court of Criminal Jurisdiction.
- 4 **Deliberate or Intentional Act or Omission**
Legal liability arising from any deliberate or intentional act or omission committed by **You**.

Extensions to Section 1

THIS SECTION ALSO COVERS

What is covered

What is not covered

1 Compensation for Court Attendance

If **We** require any director, partner or **Employee** of **Yours** to attend **Court** as a witness in connection with a claim **We** will pay **You** the amount shown below:

- A) for any director or partner of **Yours** £750 per day;
- B) for any **Employee** £500 per day.

2 Unsatisfied Court Judgments

If an **Employee** or their personal representative is awarded damages for **Injury** in any **Court** situated in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man which is not paid, in whole or in part, after 6 months, **We** will, at **Your** request, pay the amount of the judgment provided that:

- A) the damages are awarded against a company or individual operating from premises in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man;
- B) the **Injury** was caused during any **Period of Insurance** in the course of employment by **You**;
- C) there is no on-going, planned or outstanding appeal;
- D) the **Employee** or their personal representative shall assign the judgment to **Us**.

3 Premises occupied for Residential Purposes

In respect of **Premises** occupied for residential purposes the Definition of **Person Entitled to Indemnity** is extended to include:

- A) the **Residents**;
- B) the managing agents;
- C) the Residents' Association;
- D) the owners or lessees,

of such **Premises** against legal liability in respect of which **You** would have been entitled to indemnity under this **Policy** if the claim had been made against **You**,

provided that such persons:

- i) are not entitled to indemnity from any other source;
- ii) shall keep to the terms, conditions and limitations of this **Policy** so far as they can apply.

Employers' Liability – how We settle claims

How We settle claims for Your legal liabilities to Persons Entitled to Indemnity

Subject to the terms and conditions of **Your Policy**, **We** will pay the amount of any damages and costs which a **Court** has ordered **You** to pay or which **You** have (with **Our** written consent) agreed to pay, in addition to any costs that **You** have incurred with **Our** written consent.

The most We will pay

Our liability for **Injury** and costs and expenses payable in respect of any one **Event** will not exceed the **Limit of Liability** shown under Section 1 (Employers' Liability) in **Your Schedule**.

For the purposes of the **Limit of Indemnity** applying to Terrorism (as shown in the **Schedule**), Terrorism means: acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of HM Government in the United Kingdom or any other government de jure or de facto.

Our right to pay the full limit at any time

In respect of any one **Event**, **We** may pay the **Limit of Indemnity** shown in **Your Schedule** (less any sums already paid or incurred) or any lesser amount for which any claims arising from the **Event** can be settled. **We** will then relinquish control of such claims and be under no further liability.

Parties to the contract of insurance

The total amount payable by **Us** in respect of all damages, costs and expenses arising out of all claims during any one **Period of Insurance** consequent on or attributable to one source or original cause irrespective of the number of **Persons Entitled to Indemnity** having a claim under this **Policy** consequent on or attributable to that one source or original cause shall not exceed the **Limit of Indemnity** shown under Section 1 (Employers' Liability) in **Your Schedule**.

For the purposes of the **Limit of Indemnity** all of the **Persons Entitled to Indemnity** under this **Policy** shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely **Us** and **You**.

Section 2 Property Owners' Liability

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

What is covered

Any **Person Entitled to Indemnity** is covered:

- 1 up to the **Limit of Indemnity** against legal liability for damages in respect of:
 - A) accidental **Injury** of any person;
 - B) **Damage to Property**;
 - C) accidental nuisance, accidental trespass to land or goods, or accidental interference with any easement, right of air, light, water or way;
 - D) wrongful arrest, detention, imprisonment or eviction of any person, malicious prosecution or invasion of the right of privacy,
 happening during any **Period of Insurance** in connection with the **Business**.
- 2 in respect of:
 - A) claimants' costs and expenses which **You** are legally liable to pay in connection with any claim under 1 above;
 - B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death;
 - C)
 - i) costs of legal representation at proceedings in any **Court** arising out of any alleged breach of statutory duty resulting in **Injury** including the defence of any criminal proceedings brought against **You** or **Your** director or partner or **Employee** for an offence of Corporate Manslaughter or Corporate Homicide or a breach of the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978;
 - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success;
 - D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Insurance Section,
 incurred with **Our** prior written consent.

What is not covered

1 Mechanical Vehicles

Any legal liability arising from or out of the ownership possession or use by or on behalf of **You** or any **Person Entitled to Indemnity** of any:

- A) mechanically propelled vehicle other than legal liability arising out of:
 - i) the use of plant as a tool of trade on site;
 - ii) the use of plant at **Your Premises**;
 - iii) the loading or unloading of any vehicle,
 except where **You** are required to arrange insurance or security in accordance with road traffic legislation, or where cover is provided by a motor insurance policy;
- B) aircraft or other aerial device;
- C) aerospace device;
- D) hovercraft;
- E) water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters).

2 Employers' Liability

Any legal liability for bodily injury or mental injury to or death, disease or illness of any **Person Employed** arising out of and in the course of employment by **You** in the **Business**.

3 Property in Your Custody or Control

Any legal liability for **Damage** to any **Property** which belongs to or is held in trust by or is in the custody or control of **You** other than:

- A) **Your** directors', partners', **Employees'** or visitors' personal effects including vehicles and their contents;
- B) premises and their contents which are not owned, leased or rented to **You** at which **You** are working in connection with **Your Business**;
- C) premises and their fixtures and fittings leased or rented to **You** unless such legal liability:
 - i) has been accepted by agreement in which case the indemnity will only be provided to the extent that such liability would have attached in the absence of such agreement;
 - ii) arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings.

What is covered

What is not covered

4 Pollution or Contamination

Any legal liability caused by or arising out of pollution or contamination unless caused by a **Sudden Pollution or Contamination Incident**.

5 Product Defects and Recall

- A) any legal liability in respect of loss of or **Damage** to any product supplied or contract work executed by **You** caused by any defect or unsuitability for its intended purpose;
- B) any legal liability in respect of the cost of recall, removal, repair, alteration, replacement or reinstatement arising from the defect or unsuitability of any product supplied by **You** or any contract work executed by **You**.

6 Professional Risks

Any legal liability arising from or in connection with any advice, design or specification provided for a fee by **You** and not connected with the supply or intended supply of the **Your** products.

7 Contractual Liability

Any legal liability arising from or in connection with any product supplied or contract work executed by **You** where such liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement. This exclusion shall not apply if such agreement has been accepted by **Us** in writing.

8 Fines or Penalties

Any legal liability for:

- A) fines or penalties;
- B) the costs of appeal against any improvement or prohibition notices;
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012;
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction;
- E) aggravated, exemplary or punitive damages awarded by any **Court** outside **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

9 Fear of Asbestos

Any legal liability for mental injury or fear of suffering bodily injury, death, disease or illness arising out of actual or suspected exposure to **Asbestos**, **Asbestos Dust** or **Asbestos Containing Materials**.

What is covered

What is not covered

10 Asbestos Removal Costs

Any legal liability for the costs of management (including those of any persons under any statutory duty to manage), removal, repair, alteration, recall, replacement or reinstatement of any property or part thereof arising out of the presence of **Asbestos**, **Asbestos Dust** or **Asbestos Containing Materials**.

11 Illegal Activities

Any legal liability arising from the **Residential Property** being used by occupants for illegal activities.

12 Contribution

Your Contribution as shown in the **Schedule** in respect of:

- A) the claimants damages;
- B) the claimants costs and expenses.

13 Cyber

Any legal liability for mental injury arising from:

- A) loss destruction or corruption of **Data**;
- B) appropriation transmission use access to storage or modification of **Data**;
- C) the reduction in or loss of ability to use access process transmit modify or store **Data**;
- D) misinterpretation or misuse of **Data**.

14 Deliberate or Intentional Act or Omission

Legal liability arising from any deliberate or intentional act or omission committed by **You**, or by any partner or director of **Yours**.

Extensions to Section 2

THIS SECTION ALSO COVERS

What is covered

What is not covered

1 Cross Liabilities

If there is more than one policyholder specified in the **Schedule** this **Section** will apply separately to each one as if a separate **Policy** had been issued to each,

provided that **Our** total amount payable does not exceed the **Limit of Indemnity** stated in the **Schedule**.

What is covered

2 Compensation for Court Attendance

If **We** require any director, partner or **Employee** of **Yours** to attend **Court** as a witness in connection with a claim **We** will pay **You** the amount shown below:

- A) any director or partner of **Yours** £750 per day;
- B) any **Employee** £500 per day.

3 Contingent Motor Liability

Your legal liability to pay damages and/or costs resulting from:

- A) **Injury** to others; or
- B) **Damage** to **Property** belonging to others, arising out of the use of any motor vehicle by an **Employee** in the course of the **Business** which is not **Your Property** nor provided by **You**.

4 Personal Legal Liabilities whilst Overseas

We will cover **You** or at **Your** request **Your** directors, partners, **Employees** or any family member accompanying them for legal liabilities in a personal capacity whilst temporarily outside of **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man in connection with the **Business**.

5 Data Protection Act

We will provide an indemnity to **You** and if **You** so request any **Employee** or director or partner of **Yours** against legal liability to pay damages for damage or distress as described in United Kingdom Data Protection laws or under Article 82 of the General Data Protection Regulation (Regulation (EU) 2016/679) or under any replacement legislation in respect of any of the foregoing.

We will also pay claimant's costs and expenses which **You** are legally liable to pay in connection with any claim incurred with **Our** prior written approval

Provided that **You** have paid the appropriate fee under the Data Protection (Charges and Information) regulations 2018 or are exempt from doing so.

What is not covered

- 1 **Damage** to the vehicle or its contents.
- 2 Any legal liability caused while the vehicle is being driven by **You**.
- 3 Where cover is provided by any other insurance policy.
- 4 Any legal liability caused while the vehicle is being driven outside of **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.
- 1 Any legal liability arising out of:
 - A) the ownership or occupation of land or buildings;
 - B) where cover is provided by any other insurance policy;
 - C) all exclusions shown under 'What is not covered'.
- 1 Any amount in excess of £1,000,000 in the aggregate in any one **Period of Insurance**.
- 2 The payment of fines or penalties.
- 3 The costs of notifying any person regarding loss of **Data**.
- 4 The costs of replacing reinstating rectifying erasing blocking or destroying **Data**.
- 5 Any liability arising from or caused by a deliberate or intentional act or omission of any person eligible for indemnity by this Extension if the result thereof could reasonably have been expected by **You** or any other person having regard to the nature and circumstances of such act or omission.
- 6 Any claim which arises out of circumstances notified to previous insurers or known to **You** at the inception of this **Policy**.
- 7 Any legal liability where indemnity is provided by any other insurance or elsewhere in this **Policy**.

What is covered

6 Premises occupied for Residential Purposes

In respect of **Premises** occupied for residential purposes the Definition of **Person Entitled to Indemnity** is extended to include:

- A) the **Residents**;
- B) the managing agents;
- C) the Residents' Association;
- D) the owner or lessee,

of such **Premises** against legal liability in respect of which **You** would have been entitled to indemnity under this **Policy** if the claim had been made against **You**,

provided that such persons:

- i) are not entitled to indemnity from any other source;
- ii) shall keep to the terms, conditions and limitations of this **Policy** so far as they can apply.

7 Defective Premises Act

Your legal liability in respect of **Injury** or **Damage** to **Property** under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975.

provided that:

- A) such liability is not otherwise insured;
- B) **We** will not be liable in respect of damage to that part of such premises on which **You** or anyone on **Your** behalf has worked if such damage directly results from such work.

8 Advertising Injury

We will indemnify **You** in respect of legal liability for **Advertising Injury** committed during the **Period of Insurance**.

What is not covered

- 1 Any legal liability of any **Resident** arising from their occupation (and not ownership) of the **Residential Property** in which they are residing.

- 1 Any liability arising from or caused by a deliberate or intentional act or omission of any **Person Entitled to Indemnity** by this Extension if the result thereof could reasonably have been expected by any person having regard to the nature and circumstances of such act or omission.
- 2 Any claim which arises out of circumstances notified to previous insurers or known to **You** at the inception of this **Policy**.
- 3 Any **Advertising Injury** where indemnity is provided by any other insurance.
- 4 Any **Advertising Injury** committed by **You** if **Your Business** is any of the following:
 - A) advertising broadcasting publishing or telecasting;
 - B) designing or determining the content of web-sites for others;
 - C) providing an internet search access content or service provider.

What is covered

9 Clean Up Cost

We will provide indemnity to **You** in respect of:

A) **Clean Up Costs** arising solely under a statutory provision that operates in any part of **Great Britain** Northern Ireland the Channel Islands or the Isle of Man;

- B) i) costs and expenses in relation to any matter which may form the subject of indemnity under this Extension incurred with **Our** prior written approval;
- ii) costs and expenses incurred with **Our** prior written approval in any appeal against any statutory notice served or to be served upon **You** by any enforcing authority for any enforcement action which would be the subject of indemnity under this Extension if in the opinion of counsel (appointed by mutual consent) such appeal could be contested with the probability of success,

provided that:

all costs covered under A) and B) above will form part of and not exceed the **Limit of Indemnity** shown in the **Schedule** for all **Sudden Pollution or Contamination Incidents** considered by **Us** to have occurred during the **Period of Insurance**.

What is not covered

- 5 Any **Advertising Injury** arising out of electronic bulletin boards or chatrooms that **You** host own or exercise control over.
- 1 Any amount in excess of £250,000 under this Extension.
- 2 Any costs for remedial action carried out or in relation to **Property** which at the time of the **Sudden Pollution or Contamination Incident** giving rise to such legal liability is owned by or held in trust by **You** or in **Your** custody or control.
- 3 Any costs incurred in achieving any improvement betterment or alteration in any **Property**.
- 4 Any costs incurred in relation to the reinstatement reintroduction or provision of any living organism or natural habitat.
- 5 Any costs arising out of a genetically modified organism.
- 6 Any costs comprising of the first 10 per cent of any one **Sudden Pollution or Contamination Incident** subject to a minimum contribution by **You** of £2,500 and a maximum contribution of £25,000.
- 7 Any costs arising solely from **Your** liability under legislation operating in any part of **Great Britain** and Northern Ireland which implements Directive 2004/35/EC on environmental liability with regard to the prevention and remedying of environmental damage including the Environmental Damage (Prevention and Remediation) Regulations 2009 or under any replacement legislation in respect of the foregoing.

Property Owners' Liability – how We settle claims

How We settle claims for Your legal liabilities to third parties

Subject to the terms and conditions of **Your Policy**, **We** will pay the amount of any damages and costs which a **Court** has ordered **You** to pay or which **You** have (with **Our** written consent) agreed to pay, in addition to any costs that **You** have incurred with **Our** written consent.

Your Contribution, as shown in the **Schedule**, is payable before **We** will be liable to make any payment.

The most We will pay

In respect of any one **Event** the most **We** will pay is the **Limit of Indemnity** shown under Section 2 (Property Owners' Liability) in **Your Schedule**.

In respect of all incidents considered by **Us** to have occurred during any one **Period of Insurance** in respect of pollution or contamination of buildings, other structures, water, land or atmosphere the most **We** will pay is the **Limit of Indemnity** in respect of Pollution shown under Section 2 (Property Owners' Liability) in **Your Schedule**.

Our right to pay the full limit at any time

In respect of any one **Event** **We** may pay the **Limit of Indemnity** shown under Section 2 (Property Owners' Liability) in **Your Schedule** (less any sums already paid or incurred) or any lesser amount for which any claims arising from the **Event** can be settled. **We** will then relinquish control of such claims and have no further liability in respect of them except for any further costs and expenses for which **We** are liable under this **Policy** and which were incurred by **You** prior to the date of such payment.

Parties to the contract of insurance

If **We** have to provide cover for more than one person **Our** liability will not be more than the **Limit of Indemnity** shown under Section 2 (Property Owners' Liability) in **Your Schedule**.

The most **We** will pay in respect of all incidents considered by **Us** to have occurred during any one **Period of Insurance** consequent on or attributable to one source or original cause irrespective of the number of **Persons Entitled to Indemnity** having a claim under this **Policy** consequent on or attributable to that one source or original cause shall not exceed the **Limit of Indemnity** shown under Section 2 (Property Owners' Liability) in **Your Schedule**.

The most **We** will pay in respect of all damages arising out of all claims during any one **Period of Insurance** irrespective of the number of sources or original causes of such claims and irrespective of the number of **Persons Entitled to Indemnity** having claims under this **Policy** in respect of those sources or original causes shall not exceed the **Limit of Indemnity** shown under Section 2 (Property Owners' Liability) in **Your Schedule**.

For the purposes of the **Limit of Indemnity** all the **Persons Entitled to Indemnity** under **Your Policy** shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely **Us** and **You**.

Section 3 Legal Defence Costs

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

What is covered

Where **Injury** of any person or loss of or damage to **Property** has not occurred or where **We** cease to have an interest in the outcome of the proceedings under any other Liability Insurance Section insured under this **Policy**, **We** will provide indemnity to **You** and if **You** so request any **Employee** or director or partner of **Yours** up to the **Limit of Indemnity** in respect of:

- 1 legal costs and other expenses incurred with **Our** prior written approval;
- 2 costs awarded against **You** or any director, partner or **Person Employed**, in connection with:
 - A) the defence of criminal proceedings brought; or
 - B) in appeal against a conviction, arising from such proceedings,

relating to an offence alleged to have been committed during the **Period of Insurance**, in the course of the **Business** but only in respect of proceedings brought as stated in Part A and B below.

Part A

In respect of a breach of:

- 1 a breach of the Health and Safety at Work Act etc. 1974 or the Health and Safety at Work (Northern Ireland) Order 1978; and
- 2 the health, safety and welfare of a director, partner or **Person Employed**.

What is not covered

1 Fines or Penalties

- A) fines or penalties of any kind;
- B) the costs of appeal against any improvement or prohibition notices;
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012;
- D) compensation awarded by a Court of Criminal Jurisdiction.

2 Other Insurances

Where cover is provided by any other insurance policy.

3 Deliberate Act

Any proceedings or conviction which arise out of any deliberate act or omission by **You** or any director or partner of **Yours**, or by any **Employee** with specific responsibility for compliance with the legislation.

4 Asbestos

Any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to **Asbestos**, **Asbestos Dust** or **Asbestos Containing Materials**.

What is covered

Part B

In respect of a breach of:

- 1
 - A) a breach of the Health and Safety at Work Act etc. 1974 or the Health and Safety at Work (Northern Ireland) Order 1978; and
 - B) the health, safety and welfare of any person other than a director, partner or **Person Employed**;
- 2 a breach of Part II of the Consumer Protection Act 1987;
- 3 a breach of Part II of the Food Safety Act 1990.

What is not covered

1 Fines or Penalties

- A) fines or penalties of any kind;
- B) the costs of appeal against any improvement or prohibition notices;
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012;
- D) compensation awarded by a Court of Criminal Jurisdiction.

2 Other Insurances

Where cover is provided by any other insurance policy.

3 Deliberate Act

Any proceedings or conviction which arise out of any deliberate act or omission by **You** or any director or partner of **Yours**, or by any **Employee** with specific responsibility for compliance with the legislation.

4 Asbestos

Any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to **Asbestos**, **Asbestos Dust** or **Asbestos Containing Materials**.

Legal Defence Costs – how We settle claims

How We settle claims for Your legal defence costs

As long as the legal defence costs are covered under **Your Policy We** will pay the costs that **You** have incurred with **Our** written consent and the costs awarded against **You** and at **Your** request any of **Your** directors, partners or any **Person Employed**.

Special Provision

We shall pass notification to an independent third party service provider with whom **We** have an agreement and which shall administer the claim on **Our** behalf.

The most We will pay

Irrespective of the number of **Persons Entitled to Indemnity** the most **We** will pay in any one **Period of Insurance** for legal defence costs is the **Limit of Indemnity** shown under Section 3 (Legal Defence Costs) in **Your Schedule**.

Our right to pay the full limit at any time

We may pay the **Limit of Indemnity** shown under Section 3 (Legal Defence Costs) in **Your Schedule** (less any sums already paid or incurred) or any lesser amount for which any claims **You** have notified to **Us** can be settled. **We** will then relinquish control of such claims and be under no further liability in respect of legal defence costs. **We** shall pass notification of any claim for legal defence costs to the third party provider approved by **Us**.

Parties to the contract of insurance

If **We** have to provide cover for more than one person **Our** liability will not be more than the **Limit of Indemnity** shown under Section 3 (Legal Defence Costs) in **Your Schedule**.

For the purposes of the **Limit of Indemnity** all the **Persons Entitled to Indemnity** under **Your Policy** shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely **Us** and **You**.

Section 4 Legionellosis Liability

THIS INSURANCE SECTION ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

This section is on a claims made basis with the costs and expenses of the claimant and the costs and expenses (incurred with Our written consent) of any Person Entitled to Indemnity included within the Limit of Indemnity shown in the Schedule.

What is covered

Any Person Entitled to Indemnity is covered:

- 1 up to the **Limit of Indemnity** against legal liability for damages and/or costs to others as a result of accidental **Injury** to any person caused by **Legionellosis** in connection with the **Business**;
- 2 in respect of:
 - A) claimants costs and expenses which **You** are legally liable to pay in connection with any claim;
 - B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death;
 - C) i) costs of legal representation at proceedings in any **Court** arising out of any alleged breach of statutory duty resulting in **Injury** including the defence of any criminal proceedings brought against **You** or **Your** director or partner or Employee for an offence of Corporate **Manslaughter** or Corporate Homicide or a breach of the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978;
 - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of Counsel (appointed by mutual consent) such appeal could be contested with the probability of success;
 - D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Insurance Section,

incurred with **Our** prior written consent.

What is not covered

- 1 **Claims outside the Period of Insurance**
Any claim which is first made in writing to **You** (or any other **Person Entitled to Indemnity**) outside of the **Period of Insurance**.
- 2 **Late Notification**
Any claim where first notification of any circumstance that:
 - A) has caused **Injury**; or
 - B) is alleged to have caused **Injury**; or
 - C) can be expected to give rise to a claim,
 is made to **Us** after 30 days following the expiry of the **Period of Insurance**.
- 3 **Pre-existing Legionellosis**
Any legal liability in respect of **Legionellosis** where the **Legionellosis** commenced prior to the start date of this Insurance.
- 4 **Product Liability**
Any legal liability arising from any product supplied or contract work executed by **You**.
- 5 **Professional Risks**
Any legal liability arising from or in connection with any advice, design or specification provided for a fee by **You** and not connected with the supply or intended supply of the **Your** products.
- 6 **Contractual Liability**
Any legal liability arising from or in connection with any product supplied or contract work executed by **You** where such liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement. This exclusion shall not apply if such agreement has been accepted by **Us** in writing.

What is covered

What is not covered

7 Fines or Penalties

Any legal liability for:

- A) fines or penalties;
- B) the costs of appeal against any improvement or prohibition notices;
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012;
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction;
- E) aggravated, exemplary or punitive damages awarded by any **Court** outside **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

8 Illegal Activities

Any legal liability arising from **Residential Property** being used by occupants for illegal activities.

9 Contribution

Your Contribution as shown in the **Schedule** in respect of:

- A) the claimants damages;
- B) the claimants costs and expenses.

Extensions to Section 4

THIS SECTION ALSO COVERS

What is covered

What is not covered

1 Cross Liabilities

If there is more than one Policyholder specified in the **Schedule** this Section will apply separately to each one as if a separate **Policy** had been issued to each.

provided that **Our** total amount payable does not exceed the **Limit of Indemnity** stated in the **Schedule**.

2 Compensation for Court Attendance

If **We** require any director, partner or **Employee of Yours** to attend **Court** as a witness in connection with a claim **We** will pay **You** the amount shown below:

- A) for any director or partner of **Yours** £750 per day;
- B) for any **Employee** £500 per day.

Legionellosis Liability – how We settle claims

How We settle claims for Your legal liabilities arising from Legionellosis

Subject to the terms and conditions of **Your Policy**, **We** will pay the amount of any damages and costs which a **Court** has ordered **You** to pay or which **You** have (with **Our** written consent) agreed to pay, in addition to any costs that **You** have incurred with **Our** written consent.

All claims caused by the same isolated, repeated or continuing incidence of **Legionellosis** shall be considered to have been made in the **Period of Insurance** when the first claim was made in writing to **You** (or any other **Person Entitled to Indemnity**) and notified to **Us** or when the first notification of any circumstance was first made to **Us**.

Your Contribution in respect of damages, costs and expenses, as shown in the **Schedule**, is payable before **We** will be liable to make any payment.

The most We will pay

The most **We** will pay for any one claim in respect of **Your Legionellosis** liability including all **Your** costs and expenses and those of the claimant is the **Limit of Indemnity** shown under Section 4 (Legionellosis Liability) in **Your Schedule**.

Our right to pay the full limit at any time

In respect of any one **Event** **We** may pay the **Limit of Indemnity** shown under Section 4 (Legionellosis Liability) on **Your Schedule** (less any sums already paid or incurred) or any lesser amount for which any claims arising from the **Event** can be settled. **We** will then relinquish control of such claims and have no further liability in respect of them.

Parties to the contract of insurance

The most **We** will pay in respect of all damages arising out of all claims during any **Period of Insurance** irrespective of the number such claims and irrespective of the number of **Persons Entitled to Indemnity** having claims under this **Policy** shall not exceed the **Limit of Indemnity** shown under Section 4 (Legionellosis Liability) in **Your Schedule**.

For the purposes of the **Limit of Indemnity** all the **Persons Entitled to Indemnity** under **Your Policy** shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely **Us** and **You**.

Legal Expenses Insurance

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

The Insurance Provided

This Section of the **Policy** provides a 'claims made' insurance. It covers **Legal Expenses** arising from matters notified to **Us** during the **Period of Insurance**, as set out below.

Legal Expenses

What is covered

- 1 **Legal Expenses** incurred during **Legal Proceedings** when all the following apply:
 - A) the **Legal Proceedings** arise in the usual conduct of the **Your Business**;
 - B) the **Legal Proceedings** either:
 - i) start and are notified to **Us** during the **Period of Insurance**; or
 - ii) arise from a **Dispute** notified to **Us** during the **Period of Insurance**.
 - C) the **Legal Proceedings** relate to any of the following matters, which are fully described below under the heading 'Covered Legal Proceedings':
 - 1 Employment Disputes
 - 2 Prosecution Defence
 - 3 Rent Recovery
 - 4 Tenant Disputes
 - 5 Contract Disputes
 - 6 Damage to Goods
 - 7 Taxation Enquiries
 - 8 Appeals to Statutory Bodies
 - 9 Bodily Injury Recovery

What is not covered

- 1 Any amount more than the **Limit of Indemnity** shown in the **Schedule** and notified in the **Period of Insurance** (specific sub-limits also apply to some types of **Legal Proceedings**, and these are set out where those **Legal Proceedings** are described below under the heading 'Covered Legal Proceedings').
- 2 **Legal Proceedings** of which **You** are aware, or ought to have been aware, before the **Period of Insurance**.
- 3 **Legal Proceedings** arising from a **Dispute** of which **You** are aware, or ought to have been aware, before the **Period of Insurance**.
- 4 **Legal Proceedings** arising from a **Dispute** which commenced before the **Period of Insurance**, unless **You** have continuously purchased 'claims made' insurance covering such **Legal Proceedings** from the date and time that the **Dispute** commenced.
- 5 **Legal Proceedings** or **Disputes** not notified to **Us** as soon as reasonably possible when **You** first become aware of them, or ought to have become aware of them.

The full procedures relating to the notification of **Legal Proceedings** and **Disputes** are set out in the section of the **Policy** headed 'Claims Conditions: Notification'.

- 6 **Legal Proceedings** where there is not a 51% or greater prospect of successfully pursuing or defending the **Legal Proceedings**.
- 7 **Legal Proceedings** where there is not a prospect of obtaining a reasonable outcome is uneconomical relative to the cost of the **Legal Proceedings**.
- 8 The estimate of the **Legal Expenses** to deal with **Your** claim must not be more than the amount of money in **Dispute**. The estimate of the **Legal Expenses** will be provided with the assessment of **Your** case and will be conducted by **Arc**.

What is covered

What is not covered

If the estimate exceeds the amount in **Dispute**, **We** may decline or end support for **Your** case.

- 9 Any **Legal Expenses** incurred without the prior written consent of **Arc**. (The process by which **Arc's** consent can be obtained is set out in 'Claims Conditions: Consent' below).
- 10 **Legal Proceedings** which begin or are transferred outside **Great Britain**.
- 11 **Legal Proceedings** incurred outside **Great Britain**.
- 12 **Legal Expenses** which:
 - A) are covered under any other Section of this **Policy** purchased by **You** and shown as 'Insured' in the **Schedule**; or
 - B) which would be covered under any other Section of this **Policy** if that Section had been purchased by **You** and was shown as 'Insured' in the **Schedule**,

including any **Legal Expenses** which would be covered but for the limits of liability or any other exclusion, term, or condition applicable to that Section.

- 13 **Legal Expenses** covered under any other insurance policy, or which would be covered under any other insurance policy if this **Policy** did not exist. This exclusion does not apply to the difference between the amount payable under that other insurance policy and the amount payable under this **Policy**.
- 14 **Legal Proceedings** in any way connected to a **Dispute** involving a third party in respect of which **You** hold liability insurance or are required to hold liability insurance by law.
- 15 Damages, fines, or penalties of any nature.
- 16 Any **Dispute** between policyholders, tenants or management or residents associations insured under this **Policy**.
- 17 Any **Dispute** between **You** and any subsidiary, parent, associated or sister company.
- 18 The defence of **Legal Proceedings** brought by a party who is an **Insured Person** for the purpose of those **Legal Proceedings**.
- 19 The pursuit of **Legal Proceedings** against a party who is an **Insured Person** for the purpose of those **Legal Proceedings**.
- 20 Any issue of law practice or procedure not directly connected with the **Legal Proceedings** which are otherwise covered under this **Policy**.

Covered Legal Proceedings

1 Employment Disputes

The defence of **Disputes** with staff over contracts of employment, alleged breaches of employment legislation and recovery of **Your Premises**.

What is covered

- 1 The defence of **Legal Proceedings** brought against **You** which arise from a **Dispute** between **You** and an **Employee**, ex-**Employee** or prospective **Employee** relating to their contract of employment or any actual or alleged breaches of their statutory rights under employment legislation applicable within **Great Britain**.
- 2 **Your** pursuit of any **Legal Proceedings** to recover possession of **Premises** which are owned by **You** but occupied by **Your Employee** or ex-**Employee**.

What is not covered

- 1 Any **Dispute** arising within three months of the commencement of the **Period of Insurance** unless this **Policy** is a renewal of a previous policy issued by **Us** which provided substantially the same employment cover.
- 2 Any **Dispute** arising within six months of the commencement of the **Period of Insurance** with an employee to whom a warning was given at any time in the six months prior to the commencement of the **Period of Insurance** unless this insurance is a renewal of a previous policy issued by **Us** which provided substantially the same employment coverage.
- 3 Any **Dispute** arising from:
 - A) a material change or attempt to change the particulars of an **Employee's** contract; or
 - B) dismissal or redundancy of an **Employee**.
 Unless advice was sought in advance of the change or attempted change from **Arc** or the **Representative** and this advice was followed.
- 4 Any **Dispute** in connection with restrictive covenants contained within the contract of employment.
- 5 Any **Dispute** in connection with patents, copyrights, design rights, moral rights, trade or service marks, registered designs, passing off, trade secrets or confidential information.
- 6 Any **Dispute** relating to actual or alleged defamation or malicious falsehood.
- 7 Any **Dispute** in connection with a transfer of business in the scope of or in connection with rights or obligations under The Transfer of Undertakings (Protection of Employment) Regulations 2006.
- 8 Any **Dispute** relating to death, bodily injury, disease, or illness of any person.
- 9 Any **Dispute** relating to damage to property including loss of use of such property.
- 10 Any **Dispute** relating to determination by **You** of an employee's employment or self-employment status or the application of IR35 (off-payroll working) rules.

Additional Insurance Provided: Basic and Compensatory Awards

What is covered

We will also indemnify **You** in respect of:

- 1 Any basic and/or compensatory award which **You** must pay because of a judgment in a **Dispute** covered under 1 Employment Disputes.

What is not covered

- 1 Additional awards, protective awards, aggravated damages or interim relief, or any award or settlement which exceeds the maximum sums that can be awarded in the employment tribunal on the same facts as a basic and/or compensatory award.
- 2 Awards of compensation or settlements made to the extent that they relate to contractual rights accrued before the actual or alleged breach of the actual or alleged contract of employment.
- 3 Awards or settlements made because of a failure to provide written reasons for dismissal.
- 4 Awards or settlements made which relate to a **Dispute** involving trade union activities including membership or non-membership.
- 5 Awards or settlements made which relate to a **Dispute** involving pregnancy, maternity, or paternity rights.
- 6 Awards or settlements made to the extent that they arise from **Your** obligation to make redundancy payments.

2 Prosecution Defence

The defence of specified criminal or civil actions.

What is covered

- 1 The representation of **You** or, at **Your** request, any **Partner, Director, or Employee**:
 - A) during any investigation by the police or other statutory authority into an alleged criminal offence allegedly committed by **You, a Partner, Director or Employee**;
 - B) against prosecution in a court of criminal jurisdiction; or
 - C) during any civil action for wrongful arrest or false imprisonment due to allegations of theft against **You, a Partner, Director or Employee**.

What is not covered

- 1 Any **Dispute** relating to a breach of or offence under:
 - A) the Health and Safety at Work etc. Act 1974; or
 - B) the Corporate Manslaughter and Corporate Homicide Act 2007; or
 - C) any breach of equivalent or amending legislation within **Great Britain**.
- 2 Any **Dispute** relating to a breach of or offence under:
 - A) Part II of the Consumer Protection Act 1987;
 - B) the General Product Safety Regulations 2005;
 - C) the Food Safety Act 1990;
 - D) the General Food Regulations 2004; or
 - E) any breach of equivalent or amending legislation within **Great Britain**.
- 3 Any **Dispute** relating to death, bodily injury, disease, or illness of any person.
- 4 Any **Dispute** alleging damage to any property including loss of use of such property.
- 5 Any **Dispute** relating to taxation matters, including any investigation or enquiry by the Fraud Investigation Service (FIS) or Risk and Intelligence Service (RIS) of HM Revenue & Customs, and any investigation undertaken under HM Revenue & Customs Codes of Practice 8 or 9, or any prosecution arising therefrom.
- 6 Any **Dispute** arising from or relating to the ownership, possession, hiring or use of a motor vehicle, aircraft, or watercraft.

3 Rent Recovery

The pursuit or defence of **Legal Proceedings** relating to the recovery of rent owed to **You** by **Your Tenant**.

What is covered

- 1 **Your** pursuit or defence of **Legal Proceedings** relating to:
 - A) **Rent** arrears owed to **You** under a **Tenancy Agreement** between **You** and **Your Tenant** or **Guarantor** in respect of the **Premises**, provided that:
 - i) the amount of **Rent** in **Dispute** exceeds £2,500;
 - ii) **You** have attempted to collect **Rent** or establish the circumstances of **Rent** arrears within seven days of **Rent** becoming due;
 - iii) **You** must agree to provide **Us** with any assistance **We** may require should **We** seek to make a recovery from a defaulting **Tenant**.

What is not covered

- Any claim:
- 1 for the actual amount of **Rent** owed to **You**;
 - 2 relating to a **Dispute** with **Your Tenant** where the cause of action arises within the first 90 days of the start of this cover and the **Tenancy Agreement** commenced prior to the start of this cover, unless **You** have had continuous cover with **Us** or another insurer;
 - 3 relating to registering rents, reviewing rents, buying the freehold of **Your Premises** or any matter that relates to rent tribunals, land tribunals or rent assessment committees unless **You** are defending an action brought against **You** by **Your Tenant**;
 - 4 where the **Tenancy Agreement** started more than 31 days after the **Tenant Reference**;
 - 5 arising from or connected to **Your** performance of **Your** obligations under the **Tenancy Agreement**;
 - 6 arising from dilapidations unless the missing or damaged items were contained within a dilapidations Inventory or equivalent and exceed £1,000 in total;
 - 7 falling within the jurisdiction of the Rent Assessment Committee, the Lands Tribunal or the Leasehold Valuation Tribunal or their equivalent outside of England and Wales but within **Great Britain**;
 - 8 relating to the payment or non payment of service charges as defined within the Landlord and Tenant Act 1985 (as amended) or any equivalent Act outside of England and Wales but within **Great Britain**;
 - 9 in relation to dilapidations by the **Tenant** to the **Premises** or its contents where **You** have a policy of insurance that covers the dilapidations;
 - 10 relating to any occupant of the **Premises** over the age of 18, other than the **Tenant**;
 - 11 where **Legal Expenses** have been incurred as a result of **Your** failure to follow the advice of **Arc** or the **Representative** or arising from **Your** failure to take any action recommended by **Arc** to recover possession of the **Premises** as promptly as possible;
 - 12 in connection with occupation contracts in Wales where **You** are not registered with 'Rent Smart Wales' or **You** do not hold a relevant licence to rent the **Premises**;
 - 13 related to someone legally obtaining **Your Premises**, whether **You** are offered money or not;

What is covered

What is not covered

- 14 relating to work done on **Your Premises** or rent, tax, building regulations, decisions, compulsory purchase orders, restrictions or controls placed on **Your Premises** by any government or public or local authority, unless the claim is for accidental physical damage caused by any of the above;
- 15 relating to the use of the **Premises** as a holiday home and/or short term let;
- 16 relating to eviction proceedings against a **Tenant** or **Guarantor** to recover possession of the **Premises** where the **Tenant** fails to perform their obligations set out in the **Tenancy Agreement**.

Tenant Reference Condition

It is a condition of cover that a credit check against the **Tenant** and any **Guarantor** is obtained from a licensed credit referencing company showing no County Court Judgments, and:

- A) copies of two forms of identification one of which must contain a photograph; and
- B) a written employers reference on company letter headed paper confirming the **Tenant's** permanent and current employment and that their salary is at least a multiple of 2.5 of the **Tenant's Rent**.

If all of the above are not available, or in the case of student **Tenants** or **Tenants** in receipt of housing benefit, a full **Tenant Reference** showing a Pass on the **Tenant** and **Guarantor** must be obtained from an approved Tenant Referencing Company.

Where **You** fail to provide evidence that **You** successfully completed a **Tenant Reference** on the **Tenant** (and **Guarantor** if required) prior to the start of the **Tenancy Agreement**, this **Policy** will not respond.

4 Tenant Disputes (applicable to Residential Property)

The pursuit or defence of **Legal Proceedings** relating to an eviction against a **Tenant** or **Guarantor** and property damage caused by **Your Tenant** to **Your Premises**.

What is covered

Your pursuit or defence of **Legal Proceedings** relating to:

- 1 an eviction against a **Tenant** or **Guarantor** to recover possession of the **Premises**:
 - A) where the **Tenant** fails to perform their obligations set out in the **Tenancy Agreement** relating to the rightful occupation of the **Premises**;
 - B) under any grounds for possession available under the Housing Act 1988 or any other applicable legislation;
 - C) relating to any criminal conviction arising from the **Tenants** occupation of the **Premises**, providing that all appropriate statutory and contractual notices have been served correctly by **You** to the **Tenant**.
- 2 costs incurred in rectifying damage caused by the **Tenant** to the **Premises**.

What is not covered

- 1 **Legal Expenses** of a minimum amount of £1,000 and in excess of £10,000 in respect of an **Insured Incident**.
Any claim:
 - A) relating to any **Insured Incident** that:
 - i) began to occur; or
 - ii) had occurred,
 before **You** purchased this Insurance, unless any **Insured Incident** occurs within the first 90 days of the **Period of Insurance** where the **Tenancy Agreement** commenced before the **Period of Insurance** unless **You** had continuous previous **Legal Expenses** insurance on a claims made basis;
 - B) for **Rent** arrears owed on a **Tenancy Agreement** relating to the **Premises**;
 - C) relating to any act, omission or delay that prejudices **Your** or **Our** position in connection with the **Legal Proceedings** or prolongs the length of the claim;
 - D) relating to a **Dispute** between **You** and **Your Agent** or mortgage lender;
 - E) where **You** should reasonably have realised when purchasing or renewing this Insurance that a claim under this Insurance might occur;
 - F) where **You** fail to give proper information to **Arc** or to the **Representative**;
 - G) relating to or arising from works undertaken or to be undertaken by or under the order of any government or public or local authority;
 - H) relating to or arising from Planning law;
 - I) relating to or arising from the construction of or structural alteration to buildings except as stated elsewhere in this **Policy**;
 - J) relating to or arising from defamation or malicious falsehood;
 - K) relating to or arising from divorce, matrimonial matters or proceedings including ancillary relief, parental responsibility and contact, or affiliation;
 - L) relating to or arising from a venture for gain or business project of **Yours** other than in relation to **Your** activities as a landlord;
 - M) relating to any application for Judicial Review;
 - N) relating to or arising from a novel point of law;
 - O) relating to any claim which is not submitted to **Us** within 45 days of the **Insured Incident** occurring;

What is covered

What is not covered

- P) relating to any avoidable correspondence or **Legal Expenses** which are recoverable from a court, tribunal or other party;
 - Q) relating to any damages, interest, fines or costs awarded in criminal courts;
 - R) for which **You** have cover or would be entitled to be covered under any other insurance policy;
 - S) for **Legal Expenses** that have not been agreed in advance or are above those for which **Arc** has given their prior written approval;
 - T) made by or against **Us, Arc**, or the **Representative**;
 - U) relating to appeals where **Arc** has not given their prior written consent;
 - V) for any **Legal Expenses** incurred prior to the issue of **Legal Proceedings** or, unless a conflict of interest arises, for the costs of any legal representative other than those of the **Representative**.
- 2 Any **Dispute** arising from or relating to an **Insured Incident**:
- A) where **You** fail to provide evidence that **You** successfully completed a **Tenant Reference** on the **Tenant** (and **Guarantor** if required) prior to the start of the **Tenancy Agreement** or where the **Tenancy Agreement** started more than 31 days after the **Tenant Reference**;
 - B) arising from or connected to **Your** performance of **Your** obligations under the **Tenancy Agreement** or where there are insufficient prospects of success in the proceedings due to the terms of the **Tenancy Agreement** being unenforceable;
 - C) arising from dilapidations unless the missing or damaged items were contained within a dilapidations Inventory or equivalent and exceed £1,000 in total;
 - D) where the amount in **Dispute** is less than £250 including VAT;
 - E) falling within the jurisdiction of the Rent Assessment Committee, the Lands Tribunal or the Leasehold Valuation Tribunal or their equivalent outside of England and Wales but within **Great Britain**;
 - F) relating to the payment or non-payment of service charges as defined within the Landlord and Tenant Act 1985 (as amended) or any equivalent Act outside of England and Wales but within **Great Britain**;
 - G) where the **Premises** are not solely occupied as **Residential Property**;
 - H) where the **Tenant** is not aged 18 years or over;

What is covered

What is not covered

- I) where **You** have allowed the **Tenant** into possession of the **Premises** before the **Tenancy Agreement** has been signed by all parties, a **Tenant Reference** has been obtained, all necessary statutory pre-grant notices to the **Tenant** have been issued, the first month's **Rent** and the deposit have been received in cash or cleared funds and the dilapidations inventory or equivalent has been signed by the **Tenant**;
- J) where the initial **Tenancy Agreement** is for a fixed term in excess of 12 months;
- K) where **You** have failed to keep full and up to date rental records or have allowed the **Tenancy Agreement** to be transferred to any other individual or organisation unless all other terms of this insurance have been complied with;
- L) where **You** or **Your Agent** gave any false or misleading information when **You** applied for the **Tenant Reference**;
- M) where the **Tenant** received a **Tenant Reference** subject to a **Guarantor** and the **Guarantor** was not correctly assigned to the **Tenancy Agreement**;
- N) where **You** are in breach of any rules, regulations or Acts of Parliament relating to the **Deposit**;
- O) in relation to dilapidations by the **Tenant** to the **Premises** or its contents where **You** have a policy of insurance that covers the dilapidations;
- P) relating to any occupant of the **Premises** over the age of 18 other than the **Tenant**;
- Q) where **Legal Expenses** have been incurred as a result of **Your** failure to follow the advice of **Arc** or arising from **Your** failure to take any action recommended by **Arc** to recover possession of the **Premises** as promptly as possible.

Tenant Reference Condition

It is a condition of cover that a credit check against the **Tenant** and any **Guarantor** is obtained from a licensed credit referencing company showing no County Court Judgments, and:

- A) copies of two forms of identification one of which must contain a photograph; and
- B) a written employers reference on company letter headed paper confirming the **Tenant's** permanent and current employment and that their salary is at least a multiple of 2.5 of the **Tenant's Rent**.

If all of the above are not available, or in the case of student **Tenants** or **Tenants** in receipt of housing benefit, a full **Tenant Reference** showing a Pass on the **Tenant** and **Guarantor** must be obtained from an approved Tenant Referencing Company.

Where **You** fail to provide evidence that **You** successfully completed a **Tenant Reference** on the **Tenant** (and **Guarantor** if required) prior to the start of the **Tenancy Agreement**, this **Policy** will not respond.

5 Contract Disputes

The pursuit or defence of **Disputes** relating to contracts for goods or services, repair or renovation to the **Premises** or arising from **Your** ownership of **Premises**.

What is covered

- 1 **Your** pursuit or defence of **Legal Proceedings** relating to a contractual **Dispute** with a contracting party over the repair or renovation to the **Premises** provided that:
 - A) **Legal Expenses** shall be limited to 75% of the sum in **Dispute**;
 - B) the amount in **Dispute** must exceed £1,000 and the contract value is less than £100,000.
- 2 **Your** pursuit or defence of **Legal Proceedings** arising from a **Dispute** with a customer or supplier in respect of a contract with that customer or supplier for the sale, purchase, hire or supply of goods or services.
- 3 **Your** pursuit or defence of **Legal Proceedings** arising from a **Dispute** in respect of:
 - A) legal title to the **Premises** or part of the **Premises**;
 - B) breach of restrictive covenant.

What is not covered

Any **Disputes** arising from:

- 1 contracts that provide or arrange credit insurance securities or guarantees;
- 2 contracts where the liability or **Your** right of recovery is incurred through **Your** agent or by assignment;
- 3 contracts governed by or alleged to be governed by the Consumer Credit Act 1974;
- 4 contracts of employment;
- 5 a **Tenancy Agreement** or a licence to use the **Premises**.

Any **Dispute**:

- 1 in respect of an amount of less than £1,000 unless it forms part of a series of **Disputes** involving the same customer or supplier where the total amount in **Dispute** is more than £1,000;
- 2 about either the amount an insurer should pay to settle an insurance claim or the way a claim should be settled, including claims not paid;
- 3 involving recovery or payment of an undisputed debt;
- 4 in connection with the letting, tenancy, construction, extension, alteration, demolition, repair, renovation, or refurbishment of any premises;
- 5 in respect of a licence or franchise agreement;
- 6 relating to computer software or hardware that has been tailored by or on behalf of a supplier or by or on **Your** behalf;
- 7 relating to patents, copyrights, design rights, moral rights, trade or service marks, registered designs, passing off trade secrets or confidential information;
- 8 relating to actual or alleged defamation or malicious falsehood;
- 9 relating to **Your** determination of a worker's employment or self-employment status or the application of IR35 (off-payroll working) rules;
- 10 relating to death, bodily injury, disease, or illness of any person;
- 11 relating to damage to any property including loss of use of such property;
- 12 for the defence of **Legal Proceedings** alleging breach of any professional duty.

6 Damage to Goods

The pursuit of **Legal Proceedings** against a third party in respect of goods owned by **You** or for which **You** are legally responsible.

What is covered	What is not covered
1 Your pursuit of Legal Proceedings against a third party relating to a negligent act or omission or criminal damage in respect of goods owned by Your or for which You are legally responsible.	1 Any Dispute related to goods located outside Great Britain. 2 Any Dispute relating to goods in transit or lent or hired to third parties. 3 Any Dispute relating to goods at premises other than those occupied by the You unless they are at such premises for installation or use in work to be conducted by You.

7 Taxation Enquiries

The defence of **Disputes** relating to representing **Your Business** in HM Revenue and Customs investigations.

What is covered

- 1 Response to an enquiry into **Your** personal, partnership or company tax return by HM Revenue & Customs following the issue of the applicable statutory notice, including pursuit of an appeal of any consequent tax decision to HM Revenue & Customs and to the First-Tier Tribunal (Tax).
- 2 Response to expressions of dissatisfaction during a Compliance Check by HM Revenue & Customs relating to Pay As You Earn, National Insurance Contributions or Value Added Tax, including pursuit of an appeal of any consequent tax decision to HM Revenue & Customs and to the First-Tier Tribunal (Tax).

What is not covered

- 1 Any amount more than £25,000 for any one **Dispute** or series of **Disputes** arising from materially the same facts.
- 2 Any amount more than £100,000 for all **Disputes** and **Legal Proceedings** notified during the **Period of Insurance**.
- 3 Any enquiry into a tax return that was filed after the statutory filing date and where HM Revenue and Customs has not accepted that there is a reasonable explanation for late filing.
- 4 Costs in connection with the normal reconciliation of annual accounts and VAT (Value Added Tax) returns.
- 5 Any enquiry into a tax return that arises from enquiries into earlier years' tax returns, or other tax returns already under enquiry.
- 6 **Legal Proceedings** relating to actual or alleged non-disclosure of a tax avoidance scheme.
- 7 **Legal Proceedings** relating to **Your** use of a tax avoidance scheme which was or should have been disclosed under the above.
- 8 **Legal Proceedings** relating to Research and Development tax relief or Patent Box.
- 9 **Legal Proceedings** relating to determination by **You** of a worker's employment or self-employment status or the application of IR35 (off-payroll working) rules.
- 10 **Legal Proceedings** involving misstatement with intent to deceive in any relevant business books, records or returns which was known to **You** or any of **Your Partners** or **Directors** at the time such misstatement was made.

If such intent to deceive is shown **We** shall be entitled to recover any **Legal Expenses** paid in respect of such **Legal Proceedings**.
- 11 Any judicial review proceedings, or appeal proceedings other than as expressly provided for in the relevant legislation.
- 12 Any criminal investigation or enquiry into taxation matters, including any investigation or enquiry by the Fraud Investigation Service (FIS) or Risk and Intelligence Service (RIS) of HM Revenue & Customs. Any investigation undertaken under HM Revenue & Customs Codes of Practice 8 or 9, or any prosecution arising therefrom.

8 Appeals to Statutory Bodies

This defence of an appeal against an improvement, prohibition or suspension notice served on **You**.

What is covered

- 1 Appeal against an improvement, prohibition or suspension notice served on **You** under:
 - A) the Health and Safety at Work etc. Act 1974;
 - B) the Consumer Protection Act 1987;
 - C) the General Product Safety Regulations 2005;
 - D) the Food Safety Act 1990;
 - E) the General Food Regulations 2004; or
 - F) equivalent or amending legislation within **Great Britain**.
- 2 Appeal against an information, assessment or enforcement notice served on **You** under the Data Protection Act 2018 or other equivalent legislation within **Great Britain**.
- 3 Appeal to the relevant statutory body or court concerning a decision by a registration authority to suspend, revoke, alter the terms of or refuses to renew a statutory licence.

What is not covered

- 1 Any costs involved in the review or rectification of matters identified in, or compliance with, an improvement, prohibition, or suspension notice.
- 2 Any judicial review proceedings, or appeal proceedings other than as expressly provided for in the relevant legislation.
- 3 Appeal against a penalty or penalty variation notice served on **You** under the Data Protection Act 2018 or other equivalent legislation within **Great Britain**.
- 1 Any costs involved in review or rectification of matters identified in or compliance with an improvement, prohibition, or suspension notice.
- 2 Any judicial review proceedings, or appeal proceedings other than as expressly provided for in the relevant legislation.
- 3 Any costs incurred in the routine application for or renewal of a statutory licence, or in applying for a replacement or amended licence following a suspension, revocation, alteration of the terms of, or refusal to review a statutory licence.
- 4 The pursuit or defence of **Legal Proceedings** between **You** and a government, public or local authority concerning the imposition of statutory charges.

9 Bodily Injury Recovery

The pursuit of compensation for death or bodily injury to **You** or **Your Partners, Directors** or **Employees**

What is covered	What is not covered
1 Your pursuit of compensation following an event happening during the Period of Insurance, in the course of the Your Business which causes bodily injury to You. 2 At Your request, the pursuit of compensation by any of Your Partners, Directors, or Employees following an occurrence happening during the Period of Insurance, in the course of Business which causes bodily injury to any Partner, Director, or Employee of Yours. 3 Where an occurrence causing bodily injury to an Insured Person in the course of Your Business also directly causes bodily injury to a member of that Insured Person's immediate family, the pursuit of compensation by that immediate family member.	1 Legal Expenses arising from or relating to any illness or bodily injury which develops gradually or is not caused by a specific and sudden event. 2 Compensation in respect of bodily injury which is covered by a policy of liability insurance which You hold or are required to hold by law.

Extensions to Cover

THIS INSURANCE ALSO COVERS

What is covered

- 1 **Jury Service Allowance**
 - A) The salary or wages paid by **You** to an **Employee** whilst they are obliged to attend court for jury service because of a summons received during the **Period of Insurance**.
 - B) If **You** are an individual, **Your** individual loss of income, salary or wages resulting directly from **Your** obligation to attend court for jury service because of a summons received during the **Period of Insurance**.
- 2 **Witness/Defendant Attendance Allowance**
 - A) The salary or wages paid by **You** to an employee whilst they are obliged to attend a court or other hearing in connection with **Legal Proceedings** as a defendant or as a witness at the request of the **Representative**.
 - B) If **You** are an individual, **Your** individual loss of income, salary or wages resulting directly from their obligation to attend a court or other hearing in connection with **Legal Proceedings** as a defendant or as a witness at the request of the **Representative**.

What is not covered

- 1 Any amount more than £150 per day per **Employee**.
- 2 Attendance at any court outside **Great Britain**.
- 1 Any amount more than £150 per day per **Employee**.
- 2 Attendance in connection with **Legal Proceedings** in respect of which **Arc** has not given consent for **Legal Expenses** to be paid under this **Policy** in accordance with the provisions set out in 'Claims Conditions: Consent' below.
- 3 Any amount covered under any other section of this **Policy**.

Claims Conditions

Notification

You must notify **Us** immediately in writing upon becoming aware of any **Legal Proceedings** or **Dispute** which may be covered under this Section of the **Policy**.

We will not make any payment in respect of Legal Proceedings or Disputes which are not notified in accordance with this requirement.

We will forward any notifications to **Arc** who are appointed to manage claims under this Section of the **Policy**.

Special procedure for Employment Dispute claims

If a Form ET1 (Originating Application) is received from an employment tribunal, **You** must notify **Us** of the **Dispute** as set out above if this has not already been done.

In addition, in view of the statutory time limit applicable to response, **You** must immediately forward Form ET1 to **Arc** together with Form ET3 (Notice of Appearance by Respondent), which should be left blank.

We will not make any payment in respect of **Legal Proceedings** or **Disputes** relating to employment where these requirements are not adhered to.

Observance

Where **You** have requested that cover be provided in respect of any other **Insured Person**, **You** are responsible for ensuring that such **Insured Person**:

- 1 is aware of and understands the applicable terms and conditions of this Section of the **Policy**; and
- 2 is aware that their **Legal Expenses** may not be covered if any of these terms and conditions is breached.

Consent

The prior written consent of Arc must be obtained before any Legal Expenses are incurred. Legal Expenses incurred before such consent is given will not be covered.

- 1 Consent will be given where in **Arc's** reasonable opinion, having regard to all information made available to **Arc**, all the following criteria are met:
 - A) there is a 51% or greater chance of successfully pursuing or defending the **Legal Proceedings** for a **Dispute** covered under this **Policy**;
 - B) the chance of successfully pursuing or defending the **Legal Proceedings** has not been made worse than would otherwise be the case by any deliberate or reckless act or omission of the **Insured Person** which occurred after they first became aware of the **Dispute**;
 - C) **Legal Expenses** are proportionate to the damages that **You** are claiming in the **Legal Proceedings**. **Legal Expenses** more than the damages that **You** can claim from **Your** opponent will not be covered;
 - D) the amount of **Legal Expenses** payable is not expected to exceed the monetary loss which the **Insured Person** would be likely to incur in the absence of this **Policy** if the **Legal Proceedings** were not pursued or defended.

Arc will continue to review these criteria throughout the **Legal Proceedings** and may withdraw their consent at any time. **Legal Expenses** incurred after consent has been withdrawn will not be covered.

- 2 If at any time **Arc's** consent to begin or continue any **Legal Proceedings** is withheld the **Insured Person** may refer the matter to arbitration as set out under 'Arbitration' below.

The **Insured Person** may also seek to begin or continue such **Legal Proceedings** at their own expense. If they are successful in these **Legal Proceedings**, the **Legal Expenses** incurred will be repaid by **Us** as if consent had been given subject to all other terms, conditions, and exclusions of this **Policy**.

In no event will **We** pay **Legal Expenses** which exceed the monetary loss which the **Insured Person** would have been likely to incur in the absence of this insurance if the **Legal Proceedings** had not been pursued or defended.

- 3 The **Insured Person** must inform **Arc** in writing as soon as an offer to settle **Legal Proceedings** is received or a payment into court is made.
If **Arc** and the **Representative** recommend that the **Insured Person** should either make or accept an offer to settle the **Legal Proceedings**, the **Insured Person** must not refuse to do so or delay in doing so. If they do **Arc** may not agree to pay further **Legal Expenses**.
You and the **Insured Person** must not make or accept an offer to settle the **Legal Proceedings** without **Arc's** prior written consent. Any such settlement must consider **Our** interest in the recovery of fees and disbursements.
- 4 If the **Insured Person** wishes to appeal against the judgment of a court or other competent authority a written application must be submitted to **Arc** at least ten working days before the final date for lodging the appeal. The application must include the reasons for bringing the appeal.
The prior written consent of **Arc** must be obtained before any **Legal Expenses** are incurred in respect of such an appeal. Such consent will be given and will continue to be reviewed according to the criteria above and will be subject to all the provisions set out above.
The **Insured Person** must co-operate in an appeal against the judgment of a court or other competent authority when requested by **Arc**.

Representation

- 1 **Arc** will, on request, select and appoint in the name of the **Insured Person** an appropriately qualified **Representative** to act for the **Insured Person** in any **Legal Proceedings**. Alternatively, the **Insured Person** may select and appoint their own appropriately qualified **Representative** to act for them in **Legal Proceedings**, subject to **Arc's** prior written consent which will not be unreasonably withheld. Where consent is withheld **You** may refer the matter to arbitration as set out under 'Arbitration' below.
- 2 Where the **Insured Person** has selected and appointed their own **Representative** **We** will only pay the **Legal Expenses** which would have been incurred in the same circumstances by a **Representative** of **Arc's** choice. Any further **Legal Expenses** will be the responsibility of the **Insured Person**. The costs component of these **Legal Expenses** will not exceed costs which are deemed reasonable and proportionate in accordance with the rules on costs such as those contained within the Civil Procedure Rules of England and Wales and rules on judicial expenses in Scotland. Where such rules prescribe or restrict the level of costs which can be recovered from an opponent, costs shall not exceed this amount. **Arc** may instruct cost experts to agree with the **Representative** which costs are reasonable and proportionate.
We will not pay **Legal Expenses** charged by a **Representative** chosen by the **Insured Person** for familiarising themselves with work already undertaken on the case.
We will not pay **Legal Expenses** incurred under any alternative funding arrangement or insurance, or costs which are only payable where **Legal Proceedings** are successful.
- 3 Each **Insured Person** must give the **Representative** and **Arc** all information and assistance required. This must include a complete and truthful account of the facts of the case and all relevant documentary or other evidence in **Your** possession. The **Insured Person** must obtain or execute all documents as may be necessary and attend any meetings or conferences when requested.
- 4 **Arc** is entitled to obtain from the **Representative** any information, document, or advice relating to a claim under this insurance, even if legal privilege applies. On request the **Insured Person** will give any instructions necessary to ensure such access.
- 5 If the **Representative** wishes to instruct counsel or appoint expert witnesses the names of counsel or the expert witnesses must be submitted to **Arc** together with an explanation of the necessity for such action.
The prior written consent of **Arc**, which will not be unreasonably withheld, must be obtained before instructions are given. Where consent is withheld **You** may refer the matter to arbitration as set under 'Arbitration' below.

Arbitration

If at any time **You** ask for **Arc's** consent in respect of any matter and this is not given, **You** may refer the matter to arbitration as set out below.

The arbitration shall be conducted by a barrister agreed upon by **You** and **Arc**. Failing agreement, the arbitrator shall be nominated by the Chair of the Bar Council or equivalent officer in the legal jurisdiction in which **Legal Proceedings** are or would be pursued.

The party that loses the arbitration shall meet the costs of the arbitration in full. If the decision is not clearly made against either party the arbitrator shall apportion costs. Any costs payable by **You** shall not be recoverable under this **Policy**.

If the arbitrator determines that **Arc** should have given consent, then any **Legal Expenses** incurred by **You** while consent was withheld will be repaid by **Us** as if consent had been given.

Withdrawal

- 1 **We** may elect to pay the **You** a sum not exceeding the realistic estimated value of any claim instead of paying any **Legal Expenses**. Such a decision will be entirely at **Our** discretion and will be in full and final settlement of the claim.
- 2 Where **We** have provided an indemnity for **Legal Expenses** and the **Insured Person** withdraws from the **Legal Proceedings** without **Our** agreement, **We** shall be entitled to reimbursement for all **Legal Expenses** paid.

Payment and Recovery

- 1 All bills relating to any **Legal Proceedings** which an **Insured Person** receives from their **Representative** should be forwarded to **Arc** without delay.
Bills must be certified by the **Insured Person** to the effect that the charges have been properly incurred and that **We** are authorised to settle on the **Insured Person's** behalf.
Gross sum bills must be accompanied by a breakdown setting out the work done, and rates applied.
If requested the **Insured Person** must ask the **Representative** to submit the bill of costs for assessment or audit.
Paying some of the **Legal Expenses** does not imply that all **Legal Expenses** will be paid. If the **Insured Person** is in doubt, they should ask **Arc**. The **Insured Person** must not, without the prior written consent of **Arc**, enter into any agreement with the **Representative** as to the payment of **Legal Expenses**.
- 2 The **Insured Person** through the **Representative** shall repay to **Us** any:
 - A) award of costs in favour of the **Insured Person**; or
 - B) costs agreed to be paid to the **Insured Person** as part of any settlement.

When the total amount of **Legal Expenses** incurred is within the **Limit of Indemnity**, **We** and the **Insured Person** will share any **Legal Expenses** recovered according to the proportion paid.

Where the total cost of the legal action exceeds the **Limit of Indemnity**, **We** and the **Insured Person** shall have priority over any other parties with an interest in any costs' recovery. **We** and the **Insured Person** shall share such recovery according to the proportion paid, subject to **Our** right of recovery being restricted to the **Limit of Indemnity**.

Minimising Claims or Legal Proceedings

Each **Insured Person** must take all reasonable measures to minimise the risk or likelihood of claims, and the cost of **Legal Proceedings**.

Where it is material to the loss, failure to comply with this requirement will result in Us not paying the Insured Person's Legal Expenses claims.

Intentional Wrongdoing, Fraud and Dishonesty

- 1 This **Policy** does not cover the **Legal Expenses** of an **Insured Person** in respect of **Legal Proceedings** which arise from their own intentional wrongdoing, reckless actions, dishonesty, fraud, or malicious conduct.
- 2 If an **Insured Person** admits or is found by a court or other competent authority to have engaged in such intentional wrongdoing, reckless actions, dishonesty, fraud, or malicious conduct then **We** shall be entitled to recover from such **Insured Person** any **Legal Expenses** which it has incurred on their behalf in respect of such **Legal Proceedings**.

Your Insolvency

If **You** are insolvent when a claim is notified or **You** become insolvent during any **Legal Proceedings** to which **We** have given support, **We** have the right to refuse to admit a claim or immediately to withdraw its support from a claim. **You** shall be deemed insolvent upon the appointment of an office-holder within the meaning given by section 233A or 372A of the Insolvency Act 1986.

Definitions

The following terms have the meanings specified wherever used and shown in bold type in this Section of the **Policy**.

Arc

The administrator appointed by **Us** to manage claims under this Section of the **Policy**. Arc Legal Assistance Ltd who are authorised and regulated by the Financial Conduct Authority. Arc Legal's Firm Reference Number is 305958. This can be checked on the Financial Services Register by visiting the website www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768.

Director

Any natural person who was, is, or becomes: **Your** Director or de facto Director including a shadow Director (as defined under section 251 of the Company Act 2006 or any equivalent provision in the legal jurisdiction in which **You** are incorporated) and any person named in any prospectus issued by **You** as a prospective Director.

Dispute

Any cause, event or circumstance which may give rise to **Legal Proceedings**.

Insured Person

You or another person against, or by whom, **Legal Proceedings** are brought where cover for this is provided within the **Policy**.

Legal Expenses

- 1 Any fees and disbursements reasonably and properly incurred by **Arc** or the **Representative** in connection with **Legal Proceedings**; and
- 2 Any costs payable by **You** or an **Insured Person** following an award of costs or agreement to pay costs as part of any settlement made in connection with **Legal Proceedings**, with **Arc's** consent.

Excluding any VAT which is recoverable by **You** in respect of the sums above.

Legal Proceedings

The pursuit or defence of legal or taxation **Disputes**.

Partner

A member of a partnership established under any of:

- 1 The Partnership Act 1890;
 - 2 The Limited Partnerships Act 1907;
 - 3 The Limited Liability Partnerships Act 2000,
- or any equivalent or subsequent legislation.

Rent

The monthly amount payable by the **Tenant** to **You** as set out in the **Tenancy Agreement**.

Representative

A solicitor or other qualified person approved by **Arc** to represent the **Insured Person** in **Legal Proceedings** in accordance with the terms and conditions of this Section of the **Policy**.

Tenant

The occupier of the **Premises** named in the **Tenancy Agreement** as the Tenant who has received a **Tenant Reference**.

Tenant Reference

A credit check against the **Tenant** and any **Guarantor** is obtained from a licensed credit referencing company showing no County Court Judgments, and:

- 1 copies of two forms of identification one of which must contain a photograph;
- 2 a written employers reference on company letter headed paper confirming the **Tenant's** permanent and current employment and that their salary is at least a multiple of 2.5 of the **Tenant's Rent**.

If all of the above are not available, or in the case of student **Tenants** or **Tenants** in receipt of housing benefit, a full Tenant Reference showing a Pass on the **Tenant** and **Guarantor** must be obtained from an approved Tenant Referencing Company.

Machinery Breakdown Insurance

The Insurance Provided

In the event of **Property** owned by **You** or for which **You** are responsible situated at the **Premises** suffering **Damage** during the **Period of Insurance** **We** will in accordance with the provisions of this Insurance pay:

- 1 in respect of **Property** which at the time of **Damage** is less than or equal to two years old from the date of sale as new the cost of **Reinstatement**;
- 2 in respect of **Property** which at the time of **Damage** is greater than two years old from the date of sale as new, the value of the **Property** at the time of the **Damage** or the cost of repair of the **Damage** to a condition substantially the same as but not better or more extensive than the condition at the time of the **Damage** or at the option of **Us** the cost of **Reinstatement** or replacement of such **Property**;

plus

such additional cost of **Reinstatement** as may be incurred in complying with Building Regulations or local authority or statutory requirements,

provided that:

- A) **Our** liability in total in respect of any one incident of **Damage** or series of incidents of **Damage** from a common cause shall not exceed £100,000 any one loss;
- B) where **Damage** occurs to only part of the **Property** **Our** liability shall not exceed the amount that **We** would have been liable to pay had the **Property** been wholly destroyed.

Where the basis of payment is to be **Reinstatement**, payment of **Reinstatement** shall not be made:

- i) unless **Reinstatement** commences and proceeds without unreasonable delay;
- ii) until Reinstatement has been carried out;

iii) Costs of Replacement Equipment

in the event of **Damage** to **Property** for which liability is admitted under this section of the **Policy** **We** will also pay the cost of hiring charges incurred by **You** for the necessary hire of substitute **Property** of a similar type and capacity until repair or replacement of the **Property** suffering **Damage** has been effected,

provided that:

- a) **Our** liability for the cost of such hiring charges under this Extension shall not exceed £5,000 in respect of any one incident of **Damage** or series of incidents of **Damage** from a common cause;
- b) in addition and subject to the **Sum Insured** any **Property** in respect of which such hiring charges are payable under this Extension shall be insured to the same extent as the **Property** which suffered **Damage**,

provided that:

the insurance shall not apply beyond the period of hire to which **Our** payment of hiring charges relates.

iv) Payment on Account

Where liability under this section of the **Policy** is admitted **You** shall be entitled to receive payment(s) as agreed between **You** and **Us** in advance of final settlement.

Condition

Special Precautions

You shall maintain the **Property** in efficient condition and fit for its purpose and shall ensure that any **Property** requiring inspection or test under any statute or order or regulation shall be so inspected or tested.

Extensions

1 Temporary Removal

The cover provided by this section of the **Policy** also applies whilst the **Property** is temporarily located at premises or working sites in the European Community or European Free Trade Area for the purpose of repair, maintenance, overhaul or inspection of the **Property** including transit between its location within the **Territorial Limits** and such temporary locations,

provided that:

Our liability under this Extension shall not exceed £25,000 during transit by sea or air in respect of any one incident of **Damage** or series of incidents of **Damage** from a common cause.

2 Additional Property

Any additional **Property** owned by or leased to **You** of a similar class, type, function and capacity to the **Property** described in the **Schedule** is deemed to be included in this **Policy** once installation is completed and the **Property** is handed over to **You** and is ready to commence normal working,

provided that:

- A) such **Property** is suitable for service free from material defects and in sound working condition;
- B) such **Property** shall not be worked until any relevant legal requirements for inspection and certification have been fulfilled;
- C) such **Property** shall be covered only to the same extent as similar items of **Property** described in the **Schedule**;
- D) if any such **Property** proves to be unacceptable to **Us** the insurance on that part of the **Property** shall terminate from the date of notification to **You**.

3 Temporary Repairs or Expediting Costs

In respect of each claim for **Damage** for which cover is provided by this section of the **Policy** **We** will pay the reasonable cost (if previously approved by **Us**) of effecting temporary repair and of expediting permanent repair of such **Damage**,

provided that:

Our limit of liability under this Extension shall not exceed £20,000.

4 Debris Removal

We will pay for costs incurred with **Our** consent in the removal of **Property** consequent upon **Damage** for which cover is provided by this **Policy** but excluding any costs or expenses arising from pollution or contamination of property not covered by this **Policy**.

5 Measures taken in Avoidance of Damage

Subject to the terms and conditions of this section of the **Policy** **We** will pay costs incurred, with **Our** consent, by **You** in taking exceptional measures to avoid or mitigate impending **Damage** for which cover is provided by this section of the **Policy**,

provided that:

- A) the impending **Damage** does not stem from any defect within any **Property**; and
- B) **Damage** would be expected in the absence of such measures; and
- C) **We** are satisfied that **Damage** has been avoided or reduced in consequence of the measures taken;
- D) any one loss does not exceed £10,000.

6 Multiple Lifting

Any lifting operations in which a single load is shared between more than one item of lifting equipment at the same time (of which at least one item of the equipment involved in such lifting operations is covered by this **Policy**) must conform to BS7121 specification for multiple lifting.

Exclusions

This section of the **Policy** does not cover:

1 Cyber and Data

any:

A) **Cyber Loss** or;

B) loss, damage, liability, claim, cost, or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss, damage, loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**, regardless of any other cause or event contributing concurrently or in any other sequence thereto,

this shall not exclude:

- i) subsequent **Damage** to **Property** directly caused by the fracturing of any part of the **Property** by frost when such fracture renders that part of the **Property** inoperative where such physical loss or damage directly results from a **Cyber Incident** or a **Cyber Act**;
- ii) **Damage** to **Property** and any **Damage** to **Data** that itself arises directly as a result of **Breakdown** of **Property** arising solely and directly as a result of a **Cyber Incident** involving operator error in respect of use of **Data** only and provided always that **Our** liability shall not exceed £10,000 in the aggregate during the **Period of Insurance**.

2 Testing, Overloading and Repair

Damage caused by and occurring during testing or intentional overloading of the **Property** except for **Damage** caused by and occurring during the checking of the correct working of the **Property** or during the checking of safety installations in connection therewith during the normal operations of the **Property**.

3 Fire

Damage caused by fire howsoever the fire may have been caused.

4 Explosion

Damage caused by explosion.

5 Collapse

Damage caused by the sudden and dangerous distortion (whether or not attended by rupture) of any part of the boiler and pressure plant caused by crushing stress by force of steam or other fluid pressure (other than pressure or ignition of gases in the furnaces or flues).

6 Rubber Tyres

Damage to rubber tyres unless such **Damage** arises out of an accident for which cover is provided under this **Policy** to other parts of the **Property** or unless such **Damage** arises out of a malicious act which necessitates replacement of such tyres repair being impracticable.

7 Pollution or Contamination

Damage caused by pollution or contamination except (unless otherwise excluded) **Damage** caused by pollution or contamination which itself results from any **Damage**.

8 Corrosion or Erosion

Damage consisting of or caused by any form of corrosion or erosion however the **Damage** may arise but this Exclusion shall not apply to **Damage** to any other part of the **Property** free from such corrosion or erosion.

9 Wear and Tear

Damage consisting of or caused by gradually occurring wear and tear or deterioration which is both predictable and inevitable from the normal operation or usage of the **Property** but this Exclusion shall not apply to **Damage** to any other part of the **Property** free from any such condition.

10 Other Damage

- A) scratching of painted or polished surfaces;
 - B) **Damage** to non-metallic protective linings, pipes or hoses, and driving or conveyor belts and batteries;
 - C) **Damage** to ropes (other than **Damage** resulting in complete severance),
- unless forming part of other **Damage** for which cover is provided by this Section of the **Policy**.

11 Financial Loss

Loss of any kind whatsoever not specifically covered by this **Policy** including financial loss of profits, loss due to delay or any consequential loss of any kind whatsoever not specifically covered by this **Policy**.

12 Building Regulations

- A) the cost of complying with Building Regulations or local authority or statutory requirements:
 - i) relating to **Property** which has not suffered **Damage** or portions of **Property** which have not suffered **Damage**;
 - ii) under which notice has been served prior to **Damage**;
- B) any rate, tax, duty, development or other charge or assessment arising out of capital appreciation as a result of complying with any of the said regulations or requirements;

13 Contribution

Your Contribution of £1,000.

Definitions

Damage

Physical loss, destruction or damage including any resultant loss of coolant, lubricant or insulant, refrigerant or brine due to:

- A) the actual failure, breaking, distortion or burning out of any part of the **Property** whilst in use arising out of:
 - i) mechanical or electrical defects in the **Property**;
 - ii) failure or fluctuation of electricity supply;
 - iii) **Damage** caused by the error or omission of the operator(s) during the normal operation of the **Property** other than in respect of any failure to maintain;
- B) the fracturing of any part of the **Property** by frost when such fracture renders that part of the **Property** inoperative.

Property

All **Property** used in connection with the **Business** to operate and maintain the **Building**, including but not limited to, lifts, elevators, heating, ventilation and air conditioning systems, and associated equipment owned by **You** or for which **You** are responsible, excluding (even if integral to the **Property**, unless specifically stated as being covered):

- A) chimneys, masonry, brickwork, foundations, racking shelving and supporting structures;
- B) **Computer Systems** and **Data Processing Media** (unless wholly dedicated to the operation or maintenance of the **Building**);
- C) production or process equipment;
- D) office equipment including but not limited to communications or alarm systems, vending machines, games machines, typewriters, adding machines, calculators, facsimile machines and equipment for the printing or reproduction of documents or other records, cinema projection and sound equipment;
- E) any item or part of **Property** sold supplied processed serviced, manufactured or stored in the course of **Your** trade or **Business**;
- F) exchangeable or detachable tools equipment and appliances or parts requiring renewal in the normal course of operation;
- G) vehicles other than purpose-built lifting and handling machinery;
- H) the contents of boiler and pressure plant;
- I) machinery, plant or equipment that is used for research, diagnostic, treatment, scientific purposes, or of a prototypical, experimental or novel nature in use or application;
- J) any sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
- K) any water piping other than, boiler feedwater piping, boiler condensate return piping, hot water heating and supply piping or water piping forming a part of a refrigerating or air conditioning system;
- L) any wind generator sets, photo voltaic or solar electricity generating equipment of greater than 75Kw;
- M) any Biomass or Biogas Installation;
- N) any Hydroelectric Installation.

Reinstatement

- A) where any item of **Property** suffers **Damage** to the extent that it cannot be economically repaired or replaced by new **Property** of equal performance or capacity or if such be impossible replacement by new **Property** having the nearest overall performance or capacity to the **Property** which has suffered **Damage**;
- B) where any item of **Property** otherwise suffers **Damage** the repair of the **Damage** and the restoration of the portion of **Property** suffering **Damage** to a working condition substantially the same as but not better or more extensive than its condition when new.

General Exclusions

Exclusions not applicable to the whole Policy are shown in the individual insurance Sections.

THIS POLICY (INCLUDING ALL EXTENSIONS OF COVER) DOES NOT COVER

1 War and Allied Risks

Damage and any loss, expense or liability caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.

This Exclusion will not apply to **Damage** to the **Property** from or occasioned by the detonation of munitions of war, or parts thereof, within 1 mile of the **Premises** provided that the presence of such munitions does not result from a state of war current at the time of **Damage**.

This Exclusion shall not apply in respect of Liabilities Insurance Section 1 Employers' Liability.

2 Radioactive Contamination

Damage and any loss or expense or liability resulting or arising of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- B) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- C) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

3 Terrorism

Any loss, destruction, damage, cost, expense, or any consequential loss occasioned by or happening through or in consequence directly or indirectly of:

- A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss; and
- B) in Northern Ireland civil commotion.

This **Policy** also excludes **Damage** or loss resulting from **Damage** directly or indirectly caused by, resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

In **Great Britain** and Northern Ireland Terrorism means:

acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of HM Government in the United Kingdom or any other government de jure or de facto.

In so far that the insurance by this **Policy** is extended to include any situation elsewhere than in **Great Britain** and Northern Ireland Terrorism means:

any act including but not limited to the use of force or violence or the threat of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political, religious, ideological or similar purposes including the intention to:

- 1 influence any government or any international governmental organization; or
- 2 put the public or any section of the public in fear.

In any action, suit or other proceedings where **We** allege that by reason of this Exclusion any **Damage** or loss resulting from **Damage** is not covered by this **Policy** the burden of proving that such **Damage** or loss is covered shall be upon **You**.

This Exclusion shall not apply in respect of the Liabilities Insurance, Terrorism Insurance, and Legal Expenses Insurance sections in the **Policy**.

4 Cyber and Data

Any:

- A) **Cyber Loss**; or
- B) loss, damage, liability, claim, cost, or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss, damage, loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**,

regardless of any other cause or event contributing concurrently or in any other sequence thereto, provided that:

- i) this shall not exclude subsequent **Damage to Property Insured** and the amount of loss resulting from interruption of or interference with **Your Business** caused by such **Damage to Property Insured** where such **Damage** is caused by any of the following **Events** which directly results from a **Cyber Incident** or a **Cyber Act** unless otherwise excluded by this **Policy**:
Fire, smoke, lightning, explosion, earthquake, Riot and malicious vandalism (but only where involving physical force or violence), Storm or flood, Escape of water, beverages or oil from any tank apparatus, pipe or appliance, Impact by any road vehicles or animal, Impact by aircraft or other aerial devices or articles dropped from them, Accidental escape of water from an automatic sprinkler installation or Theft or attempted theft;

This Exclusion shall not apply in respect of the Liabilities Insurance, Terrorism Insurance, and Legal Expenses Insurance Sections in this Policy.

5 Disease

Loss (whether physical or otherwise), destruction or damage, or costs or expenses, directly or indirectly occasioned by, arising from, caused by or in any way attributable to:

- A) any form of pathogen or microorganism including but not limited to virus, bacteria, fungi and parasites; or
- B) any disease arising from any such pathogen or microorganism; or
- C) the threat or fear (actual or perceived) of A) or B).

This Exclusion shall apply regardless of any other term of this **Policy** except:

- i) to the extent expressly provided in the Specified Disease Extension under the Additional Extensions of Cover applicable to **Rent** within this **Policy**;
- ii) any cover otherwise provided by this **Policy** for:
 - a) **Damage** which itself results directly from the following **Events** insured unless otherwise excluded under this **Policy**:
Fire, smoke, lightning, explosion, earthquake, Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons, Storm or flood, Escape of water, beverages or oil from any tank apparatus, pipe or appliance, Impact by any road vehicle or animal, Impact by aircraft or other aerial devices or articles dropped from them, Accidental escape of water from an automatic sprinkler installation, Theft or attempted theft, **Subsidence, Ground Heave or Landslip** subsequent upon A), B) or C) above;
 - b) loss due to interruption or interference with **Your Business** as a direct consequence of such subsequent **Damage** insured under ii) a) above.

This Exclusion shall not apply in respect of the Liabilities Insurance, Terrorism Insurance, and Legal Expenses Insurance sections in the **Policy**.

General Conditions

Conditions not applicable to the whole Policy are shown in the individual insurance Sections.

1 Alteration of Risk

No cover shall be provided under this **Policy** if and to the extent that any **Damage** arises as a result of any material alteration to or of:

- A) the **Business**;
- B) the **Premises**;
- C) **Property** within the **Premises**; or
- D) the occupation of the **Premises** by **You** or **Your Employees**,

during the **Period of Insurance** of this **Policy**, unless such alteration has been notified to and agreed by **Us**.

2 Change of Status

This **Policy** shall be automatically terminated if and when:

- A) the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued; or
- B) **You** cease to have an interest that is insurable for example; the **Premises** have been sold to a third party.
However, this right to terminate the **Policy** does not apply in the event of **Your** death.

3 Security and Inspection of Unoccupied Buildings

It is a requirement of this Insurance under Property Damage Insurance that from the date that **You** become aware that any **Building** or portion thereof becomes **Unoccupied** for any continuous period exceeding 45 consecutive days that:

- 1 **You** have told **Us** of the unoccupancy;
- 2 electricity be kept shut off at the switch where it enters the **Building** or portion thereof except electrical circuits required to maintain power to any fire or intruder alarm or CCTV monitoring system;
- 3 gas and any fuel supplies be kept shut off at the switch or stopcock where they enter the **Building** or portion thereof;
- 4 the **Building** or portion thereof be kept secure by:
 - A) ensuring any intruder alarm system is active and set;
 - B) repairing any broken or defective windows or boarding them externally;
 - C) sealing all letterboxes or fitting a steel cage internally;
- 5 the **Building** and external areas be kept free of all unfixed combustible materials;
- 6 any additional requirements put forward by **Us** be completed within the timescale specified;
- 7 the **Building** be inspected internally and externally by **You** or **Your** nominees at least every 7 days to check that the requirements of this condition are in place and a formal log kept of the inspection detailing as a minimum the:
 - A) name of the person carrying out inspection;
 - B) date and time of inspection;
 - C) breaches of requirements 1 to 6 identified (if any) and action taken a copy of which will be required by **Us** in the event of a claim;
- 8 that any evidence of unauthorised entry or **Damage** is advised to **Us**.

Where it is material to the loss, failure to comply with any of these requirements will result in Us not paying Your Property Damage claim.

4 Observance of Terms

Failure to comply with any of the terms and conditions of the **Policy** where they are material or relevant to any loss will entitle **Us** to reduce or avoid **Your** claim.

5 Reasonable Precautions

You must at **Your** own expense take all reasonable steps to prevent or minimise any **Damage** or any **Injury** to **Employees** or the public.

If **You** discover any defect or danger, **You** must make it good as soon as practicable and in the meantime take such additional precautions as circumstances reasonably require.

6 Asbestos

Unless agreed by **Us** in writing to the contrary, **You** must ensure that **You** only undertake visual inspections in relation to **Asbestos** and when coming into contact with **Asbestos**, **Asbestos Dust** or **Asbestos Containing Materials** **You** always stop work and employ a licensed **Asbestos** contractor.

Where it is material to the loss, failure to comply with any of these requirements will result in Us not paying Your claim.

7 Roof Inspection

If any **Building** has a felt or rubber (EPDM) roof, or bituminous surface then it is a requirement of this Insurance under Property Damage Insurance by **Event 3 Storm** and **Event 10 Any other accident** that:

- 1 the roof is inspected at least once every 5 years by a competent roofing contractor; and
- 2 any recommended remedial works are carried out immediately; and
- 3 evidence of such inspection, including but not limited to photographic or video evidence, and any remedial work undertaken shall be kept in a safe place and produced if requested by **Us**;
- 4 a roof inspection, as outlined in 1-3 above, must be carried out within the first 6 months after the **Policy** inception date. This will not be necessary if such an inspection has already been carried out less than 5 years prior to inception and **You** can if required provide evidence of both the inspection and the completion of any remedial works it recommended.

Where it is material to the loss, failure to comply with any of these requirements will result in Us not paying Your Property Damage claim.

General Definitions

Where written in this policy, starting with a capital letter and appearing in bold, the following words will have the specific meaning shown.

Act of Terrorism (Terrorism Insurance)

Acts of persons acting on behalf, of or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of HM Government in the United Kingdom or any other government de jure or de facto.

Administrator

A third party provider appointed by **Us** to administer claims in respect of Legal Expenses Insurance on **Our** behalf.

Advertising Injury

Oral or written publication of material in any manner that slanders libels or defames a person's or organisation's products or services committed in the course of advertising **Your** products or services.

Agent

A company who acts as a managing agent for **You** in respect of the **Premises**.

Any One Claim

All **Legal Proceedings** (including any appeal against judgment) arising from or relating to the same **Event**.

Appointed Representative

A solicitor, consultant or any other appropriately qualified person nominated to act in a professional capacity for **You** in accordance with the terms and conditions of Legal Expenses Insurance.

Asbestos

Asbestos, crocidolite, amosite, chrysotile, fibrous actinolite, fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals.

Asbestos Containing Materials

Any material containing **Asbestos** or **Asbestos Dust**.

Asbestos Dust

Fibres or particles of **Asbestos**.

Building(s)

Buildings situated at the **Premises** which **You** own or for which **You** are responsible, which are built mainly of brick, stone, concrete or other non-combustible materials and unless stated differently in the **Schedule** or **Statement of Fact** no more than 10% of other materials, including:

- 1 **Your** fixtures and fittings including fixed glass and fitted floor coverings;
- 2 solar panels, wind turbines attached to the buildings;
- 3 tenant's improvements for which **You** are responsible in, on or around the buildings;
- 4 furnishings and other contents of common parts of the buildings;
- 5 outside buildings, extensions, annexes and gangways including garages and greenhouses;
- 6 foundations, walls, gates, fences and hedges;
- 7 yards, car parks, roads, forecourts, pavements, footpaths, patios, terraces and similar surfaces all constructed of solid materials;

- 8 closed circuit television and alarm system equipment (provided that these are securely fixed to the structure);
- 9 external lighting, television or radio receiving aerials, aerial fittings, masts and satellite dishes;
- 10 pedestrian malls and pedestrian access bridges;
- 11 **Services**;
- 12 landscaping excluding external ponds and lakes;
- 13 swimming pools, tennis courts and squash courts forming part of **Premises** occupied for residential purposes.

Business

That shown in the **Schedule** and conducted solely from premises in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man and shall include:

- 1 ownership, repair and maintenance of **Property** insured by this **Policy**;
- 2 occupation of **Residential Property** by **You** but no more than 50% in respect of the **Residents** of any one **Residential Property**;
- 3 provision and management of canteen, social, sports and welfare organisations and first aid, ambulance and medical services for the benefit of any **Person Employed**;
- 4 fire and security services maintained solely for the protection of **Your Buildings**;
- 5 private work undertaken by any **Person Employed** for any of **Your** directors, partners or **Employees** with **Your** prior consent;
- 6 attendance at or participation in exhibitions, trade fairs or shows by any **Employee** or director in connection with their employment,

but in respect of Section 1 of Liabilities Insurance shall not include any work undertaken **Offshore**.

Clean Up Costs

The costs incurred by:

- A) a government agency or regulatory body;
- B) **You** with **Our** written consent where a government agency or regulatory body would have required remediation, in carrying out action to curtail or minimise or remediate a **Sudden Pollution or Contamination Incident** for which **You** are legally responsible.

Computer System

Any computer, hardware, software, communications system, electronic device (including, but not limited to, any smart phone, laptop, tablet, or wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data processing media, networking equipment or back up facility, whether owned or operated by **You** or by any other party.

Computer Systems (Terrorism Insurance)

A computer or other equipment or component or system or item which processes, stores, transmits, or receives **Data**.

Contract Price

The amount as shown in the **Schedule** which represents the maximum estimated value of the **Contract Works** to be completed at the **Premises**.

Contract Works

The temporary or permanent works executed or in the course of execution (including unfixed site materials for use in connection with such works) at the **Premises** by **You** or on **Your** behalf for the purposes of alterations or improvements to the **Buildings**.

Contribution

The first part of each and every claim as shown in the **Schedule** which **You** and **We** have agreed will be paid by **You**.

If cover is provided in respect of an **Event** under more than one item under the “What is covered” heading within an insurance or under more than one insurance section and if a Contribution as defined above applies under more than one such item or Insurance then only the Contribution which is the highest of those which would have applied separately will be deducted from the total claim payment.

Costs of Reletting

The costs necessarily and reasonably incurred from the date of the **Damage** until the expiry of the **Indemnity Period** in reletting the **Buildings** (including legal fees in connection with the reletting) solely as a result of **Damage** to the **Buildings**.

Court

A Court or other competent authority.

Covered Loss (Terrorism Insurance)

All losses arising under Terrorism Insurance Heads of Cover 1 and/or 3 of this Terrorism Insurance section that occurs in the **Territory**, the proximate cause of which is an **Act of Terrorism**.

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

- A) 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
- B) any partial or total unavailability or failure or series of related partial or total unavailabilities or failures to access, process, use or operate any **Computer System**.

Cyber Loss

Any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any **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**.

Damage

Physical loss, destruction or damage.

Data

Any data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatsoever.

Declared Value

The base value shown against the **Buildings** item in the **Schedule** which **You** consider to represent the cost of rebuilding at the level of costs applying at the start of the **Period of Insurance** without any provision for inflation.

Denial of Service Attack (Terrorism Insurance)

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **Computer Systems**.

The definition of Denial of Service Attack includes, but is not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **Computer Systems**.

Deposit

The sum of money collected from the **Tenant** in accordance with Section 213 of the Housing Act 2004 (and any amending legislation) in respect of a **Tenancy Agreement** to which it applies and held by **You** or **Your Agent** as an indemnity for losses incurred by **You** arising from the **Tenant** failing to perform their obligations set out in the **Tenancy Agreement**. A minimum amount equal to one months' **Rent** must be retained as the **Deposit**.

Dilapidations Inventory

A full and detailed inventory of **Your** contents and their condition within the **Residential Property** which has been signed by the **Tenant**.

Employee(s)

Any individual under a contract of service or apprenticeship with **You**.

Event(s)

One occurrence or all occurrences of a series consequent on or attributable to one source or original cause.

Fees

Any architects', surveyors' or legal fees paid by **You** with **Our** written consent.

Flat(s)

A self-contained unit of the residential accommodation forming part of a block of flats or apartments or of any other **Building** which includes such residential units.

Great Britain

England, Wales and Scotland (including the Channel Tunnel up to the frontier with the Republic of France as defined by the Treaty of Canterbury 1986) but not the territorial seas adjacent to (as defined by the Territorial Sea Act 1987).

Ground Heave

Upward or lateral movement of the site on which **Your Buildings** stand caused by swelling of the ground.

Guarantor

The individual or organisation assigned to the **Tenancy Agreement** that has received a **Tenant Reference** and provided a financial guarantee of the **Tenant's** performance of their obligations under the **Tenancy Agreement**.

Hacking (Terrorism Insurance)

Unauthorised access or legitimate access resulting in unauthorised acts to any **Computer System** by whatever means, whether **Your** property or not.

Imminent Damage

Damage that will occur with certainty and in the immediate future if no action is taken.

Damage that is only a risk or likelihood does not constitute Imminent Damage.

Indemnity Period

The maximum period from the date of the **Damage** for which **We** will pay any loss of **Rent**, as shown in the **Schedule**.

Injury

In respect of Liabilities Insurance Sections 1 and 3 (Part A)

- Bodily injury, death, disease or illness.

In respect of Liabilities Insurance Sections 2 and 3 (Part B)

- Bodily injury, mental injury, death, disease or illness.

In respect of Liabilities Insurance Section 4

- Bodily injury, death, disease or illness of any person other than a **Person Employed**.

Insured Incident

The incident or the first of a series of incidents which may lead to a claim under Section 8 of Legal Expenses Insurance. Only one Insured Incident shall be deemed to have arisen from all causes of action, incidents or events that are related by cause or time.

Insured Person

You or **Your** directors, partners or **Employees**.

Landlord's Contents

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

- landlord's fixtures and fittings;
- contents in common parts of the **Buildings**;
- moveable **Property** in the open or in outbuildings;
- computer and photographic equipment;
- jewellery, stamp, coin and other collections, articles of precious metal, furs;
- curios, works of art or paintings, antiques, sculptures or rare books where the value of any one article exceeds £2,500;
- clothing, personal belongings and pedal cycles money, certificates, cheques, securities or other documents of any kind;
- motor vehicles (excluding pedestrian-controlled gardening equipment, wheelchairs and vehicles used in or about the **Building**), caravans, trailers, trains, aircraft, watercraft or parts or accessories for any of them;
- stock and materials in trade;
- any **Property** insured under another policy.

Landslip

Downward movement of sloping ground.

Legal Proceedings

The pursuit or defence of legal or taxation **Disputes**.

Legionellosis

Any discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like.

Limit of Indemnity

The maximum amount payable by **Us** in respect of the cover provided as shown in the **Schedule** or **Policy** wording.

Limit of Liability

The maximum amount payable by **Us** in respect of the cover provided as shown in the **Schedule** or **Policy** wording.

Loss of Rent

The actual amount of the reduction in the **Rent** received by **You** during the **Indemnity Period** solely as a result of **Damage** to **Buildings**.

Non-Damage (Terrorism Insurance)

All losses arising as a result of interruption or interference with **Your Business** in consequence of:

- A) access to, exit from or use of any premises located within the **Territory** owned or occupied by **You** being impaired or prevented due to the actions of the police, competent authority or any other statutory authority, the proximate cause of which is an **Act of Terrorism**; and/or
- B) an **Act of Terrorism** in the vicinity of, but in no event further than one mile from, any premises within the **Territory** owned or occupied by **You** which results in the business carried on at such premises having a diminished attraction to customers and solely in consequence thereof, an identifiable reduction in **Your Business**, but in no event shall the maximum period of indemnity for such interruption or interference with the business exceed 3 months.

Notice of Adjudication

Any notice issued to a party to a contract to which Housing Grants Construction and Regeneration Act 1996 applies stating an intention to refer a dispute under the contract to adjudication.

Nuclear Installation (Terrorism Insurance)

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for:

- A) the production or use of atomic energy; or
- B) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations; or
- C) the storage, processing, or disposal of nuclear fuel or of bulk quantities or other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

Nuclear Reactor (Terrorism Insurance)

Any plant (including any machinery, equipment, or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Offshore

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

Outstanding Debit Balances

The total recorded under **Duplicate Records** (as detailed in 'Requirements which **You** must comply with to minimise loss of Outstanding Debit Balances') adjusted for:

- 1 bad debts;

- 2 amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Damage**) to the credit accounts of the **Business** in the period between the date to which the last monthly record relates and the date of the **Damage**; and
- 3 any abnormal condition of trade which had or could have had a material effect on the **Business** so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the **Damage** had the **Damage** not occurred.

- Note
- 1 Value Added Tax is excluded to the extent that **You** are accountable to the tax authorities.
 - 2 Any adjustment implemented in current cost accounting is disregarded.

Period of Insurance

The period beginning with the “From” date and ending with the “To” date shown in the **Schedule**.

Person Employed

- 1 **Employee**
 - 2 labour master and individuals supplied by them
 - 3 individual employed by labour only sub-contractors
 - 4 self-employed individual (not being in partnership with **You**)
 - 5 individual hired to or borrowed by **You**
 - 6 individual undertaking study or work experience while under **Your** supervision.
 - 7 voluntary worker helper or instructor
 - 8 prospective employees being assessed by **You** as to their suitability for employment
 - 9 person working under the Community Offender Act 1978 or similar legislation.
- } while under **Your** direct control and supervision

Person Entitled to Indemnity

- 1 **You**;
- 2 **Your** personal representatives in respect of legal liability incurred by **You**;
- 3 at **Your** request:
 - A) any principal;
 - B) any of **Your** directors or partners;
 - C) any **Person Employed**,against legal liability in respect of which **You** would have been entitled to indemnity under this **Policy** if the claim had been made against **You**;
- D) the officers, committees and members of **Your** canteen, social, sports and welfare organisations and first aid, fire, ambulance, medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided;
- E) any of **Your** directors or partners or **Employees** in respect of private work undertaken by any **Person Employed** for such directors partners or **Employees** with **Your** prior consent, provided that such people shall keep to the terms, conditions and limitations of this **Policy** so far as they can apply.

Phishing

Any access or attempted access to **Data** or a **Computer System** made by means of misrepresentation or deception whether effected by or to a human, a **Computer System**, an AI system or by whatever means.

Policy

The policy wording (along with the **Schedule** and **Statement of Fact**) which forms part of the legal contract between **You** and **Us**.

Premises

The address as shown in the **Schedule**.

Private Individual (Terrorism Insurance)

Any:

- 1 individual; or
- 2 beneficiaries of or trustees of a trust where insurance is arranged under the terms of a trust; or
- 3 beneficiaries or executors of a will; or
- 4 sole traders,

where **Residential Property** is occupied by the individual, a beneficiary or trustee of a trust, or a beneficiary or executor of a will, or sole trader as their private residence(s), unless more than 20% commercially occupied (either by floor area or on the basis of the number of days that the **Property** is open to public).

The definition of Private Individual shall include two or more persons where insurance is arranged in their several names and/or the title of the policyholder includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the **Property Insured**.

Property (Terrorism Insurance)

Property Insured (as defined within this **Policy**), but excluding:

- 1 any land or building which is occupied as a private residence or any part thereof which is so occupied unless:
 - A) insured under the same contract of insurance as the remainder of the building which is not a private residence and is more than 20% commercially occupied (either by area or on the basis of the number of days that the Property is open to public); or
 - B) not insured in the name of a **Private Individual**; or
- 2 any **Nuclear Installation** or **Nuclear Reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **Nuclear Installation** or **Nuclear Reactor**.

Property

Material Property but shall not include **Data**.

Property Insured

Buildings

Landlord's Contents

}

at the **Premises** including within the open yards forming part of the **Premises** (subject to any specific exclusions)

all as defined in the **Policy** or more fully described in the **Schedule** and all being **Your Property** or for which **You** are responsible but excluding:

- A) **Property** which is more specifically insured;
- B) unless specifically notified and accepted by **Us** as insured:
 - i) **Property** in transit;
 - ii) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft and aircraft;
 - iii) piers, jetties, bridges, culverts and excavations;
 - iv) livestock, growing crops and trees;
 - v) **Property** or structures in course of construction or erection and materials or supplies in connection with all such **Property** in course of construction or erection;
 - vi) overhead transmission lines.

Rent (not applicable to Section 8 of Legal Expenses Insurance)

Any money in the nature of Rent including service charges which **You** receive from a tenant.

Rent (applicable to Section 8 of Legal Expenses Insurance)

The monthly amount payable by the **Tenant** to **You** as set out in the **Tenancy Agreement**.

Resident(s)

Any person authorised under the terms of the lease, tenancy agreement or rental agreement who lives in the **Residential Property** and any member of their family residing with them.

Residential Property/Properties (not applicable to Terrorism Insurance)

Any house, maisonette or **Flat** owned by **You** or for which **You** are responsible situated at the **Premises**.

Residential Property/Properties (Terrorism Insurance only)

Houses and blocks of flats and other dwellings (including household contents and personal effects of every description).

Schedule

The document providing details of the various Insurances which are included in **Your Policy** together with the levels of cover applying under each.

Services

Telephone, gas, electricity and water mains, drains and sewers, electrical instruments, meters, piping, cabling and the like which provide services to or from the **Buildings** and for which **You** are responsible.

Squatters

Any person(s) in unlawful occupation of the **Premises**.

Statement of Fact

The document setting out information provided by **You** or **Your** representative as being relevant to the cover that has been applied for. It also includes assumptions **We** have made about factual circumstances relevant to the cover and which are confirmed by **You** as true and correct.

Standard Legal Expenses

The usual fees that would be incurred by **Us** in nominating **Our Administrator's** choice of **Appointed Representative**.

Subsidence

Downward movement of the site on which **Your Buildings** stand by a cause other than the weight of the **Buildings** themselves.

Sudden Pollution or Contamination Incident

Pollution or contamination of buildings or other structures or of water or land or of the atmosphere caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place happening anywhere in the world other than the United States of America or any other territory within its jurisdiction during the **Period of Insurance**.

Provided that all pollution or contamination which arises out of one Sudden Pollution or Contamination Incident shall be considered by **Us** for the purposes of this **Policy** to have occurred at the time such incident takes place.

Sum Insured

Value shown in the **Schedule** which represents the maximum amount **We** will pay.

In respect of **Buildings** the Sum Insured is the **Declared Value** plus an allowance for inflation during the **Period of Insurance** and in the event of a claim the period of reinstatement.

Tenancy Agreement

An agreement between **You** and the **Tenant** in relation to the **Residential Property** which permits occupation for private residential purposes, and which is one of the following:

- 1 an assured periodic tenancy in accordance with the Renters Rights Act 2025 for **Premises** in England, or equivalent tenancy agreement under the relevant legislation for **Premises** in Wales or Scotland;
- 2 a leasehold agreement that provides an initial fixed term of not less than 12 months;
- 3 an occupational agreement granted to:
 - A) an **Employee**; or
 - B) a family member.

For the purposes of this definition only, **Employee** means any individual under a contract of service or apprenticeship with **You** or the **Tenant**.

Tenant

The occupier of the **Premises** named in the **Tenancy Agreement** as the Tenant who has received a **Tenant Reference**.

Tenant Reference

A credit check against the **Tenant** and any **Guarantor** obtained from a licensed credit referencing company showing no County Court Judgments, and:

- 1 copies of two forms of identification one of which must contain a photograph;
- 2 a written employers reference on company letter headed paper confirming the **Tenant's** permanent and current employment and that their salary is at least a multiple of 2.5 of the **Tenant's Rent**.

If all of the above are not available, or in the case of student **Tenants** or **Tenants** in receipt of housing benefit, a full Tenant Reference showing a Pass on the **Tenant** and **Guarantor** must be obtained from an approved Tenant Referencing Company.

Unoccupied

Unoccupied or empty or disused or unfurnished or untenanted or no longer in active use.

Virus or Similar Mechanism (Terrorism Insurance only)

Any program code, programming instruction or any set of instructions constructed with the purpose and ability, or generated or operated by an AI system, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **Computer Systems**, **Data** or operations, whether involving self-replication or not.

The definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate, or monitor as above.

Water Table Level

The level below which the ground is completely saturated with water.

We/Us/Our

Intact Insurance UK Limited
22 Bishopsgate
London
EC2N 4BQ

You/Your/Yours/Yourselves

The Policyholder shown in the **Schedule**.

Your Personal Information

Data privacy is important to **Us** and **We** are committed to ensuring that personal data is protected. **Our** Privacy Notice details how **We** collect, use, share, and protect personal data. This can be found by going to **Our** website intactinsurance.co.uk/privacy-notice

If **You** would like a printed copy of the full notice (a large text version is available), please contact **Us**. Please be aware that telephone calls may be recorded for training and monitoring purposes.

We obtain **Your** personal data and that of any joint policyholders or other parties who may be covered by **Your Policy** from **You** or those individuals themselves, **Your** insurance broker if **You** have one, claims handling suppliers and third parties such as credit reference agencies, the DVLA and other insurance industry sources for example, the Motor Insurance Database, the Claims and Underwriting Exchange and fraud prevention databases.

We use personal data for a number of different purposes, for example to:

- manage **Your** application, quotation and/or **Policy**;
- process claims;
- prevent and detect fraud and financial crime;
- update existing and develop new products and services;
- carry out risk and pricing modelling; and
- meet **Our** legal and regulatory requirements.

We will always keep personal data confidential, however it may be necessary to share personal data with third parties where there is a valid reason to do so. For example, **We** may need to share personal data with:

- other parties involved in a claim and/or their representatives;
- contractors, partners, and suppliers who assist **Us** in the administration of **Your** application, quotation and/or **Policy** or help **Us** to process any claims; and
- government agencies, regulators, auditors, reinsurers, and fraud prevention agencies where required to fulfil **Our** legal, commercial, and regulatory obligations.

We will retain **Your** personal data (and that of any joint policyholders or other parties who may be covered) for as long as **We** have a business relationship with **You**. Once this relationship has ended (for example, **Your Policy** has expired, **Your** application is declined or **You** do not proceed with a quotation) **We** will only retain such personal data for as long as is necessary to satisfy **Our** legal, accounting or reporting obligations, or as necessary to resolve any disputes.

Data Protection Laws also gives **You** various rights over **Your** personal data. More details of these rights can be found in **Our** Privacy Notice.

You may request a copy of **Your** personal data from **Us** by writing to:

Data Protection Officer

Intact Insurance

The Capital Building

39 Old Hall Street

Liverpool

L3 9PP

Email: datasubjectrights@intactinsurance.co.uk

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 HM 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 accessible 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 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.

Making a Complaint

Our commitment to customer service

At Intact Insurance **We** are committed to going the extra mile for **Our** customers. If **You** believe that **We** have not delivered the service **You** expected, **We** want to hear from **You** so that **We** can try to put things right.

Our promise to You

We will:

- acknowledge all complaints promptly;
- investigate quickly and thoroughly;
- keep **You** informed of progress;
- do everything possible to resolve **Your** complaint;
- ensure **You** are clear on how to escalate **Your** complaint, if necessary.

Step 1

If **Your** complaint relates to **Your Policy** then please contact the sales and service team in the office which issued the **Policy** or **Your** broker. If **Your** complaint relates to a claim, then please call the claims helpline number shown in this **Policy** wording.

We aim to resolve **Your** concerns on an informal basis, within three business days. Where **We** have been able to, **We** will send **You** a letter confirming this. **We** will also explain how **You** may be able to refer the matter to the Financial Ombudsman Service if **You** subsequently decide that **You** are unhappy with the outcome.

Step 2

In the unlikely event that **We** are unable to resolve **Your** concerns through **Our** informal complaints process, **Our** Customer Relations Team will then review the matter on behalf of **Our** Chief Executive. Once **Our** Customer Relations Team have reviewed **Your** complaint, they will send **You** a final decision in writing within eight weeks of the date **We** received **Your** complaint.

Our Customer Relations Team's contact details are as follows:

Post: Intact Insurance Customer Relations Team, PO Box 255, Wymondham NR18 8DP
Email: customerrelations@intactinsurance.co.uk

If You are still not happy

If **You** are still unhappy after **Our** Customer Relations Team's review, or **You** have not received a written offer of resolution within 8 weeks of the date **We** received **Your** complaint, **You** may be eligible to refer **Your** case to the Financial Ombudsman Service. The Financial Ombudsman Service is an independent body that arbitrates on complaints. They can be contacted at:

Post: Financial Ombudsman Service, Exchange Tower, London E14 9SR
Telephone: 0800 023 4567 (free from mobile phones and land lines)
0300 123 9123 (costs no more than calls to 01 or 02 numbers)
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

You have six months from the date of **Our** final response to refer **Your** complaint to the Financial Ombudsman Service. This does not affect **Your** right to take legal action, however, the Financial Ombudsman Service will not adjudicate on any case where litigation has commenced.

Compensation

Intact Insurance UK Limited is a member of the Financial Services Compensation Scheme (FSCS). This provides compensation in case any member goes out of business or into liquidation and is unable to meet any valid claims against its policies. **You** may be entitled to compensation if **We** cannot meet **Our** obligations, depending on the circumstances of the claim. Further information about the compensation scheme can be obtained from the Financial Services Compensation Scheme website at www.fscs.org.uk

