



PROPERTY
OWNERS

Policy Wording

POLICY / PRIVACY NOTICE & CLAIMS

This insurance is designed to cover **Your** property assets.

The parties have entered into this contract in good faith and understand their respective obligations.

There are general obligations/conditions contained in this **Policy** that are important to **Us** and which **We** rely upon **You** to comply with.

Your general obligations/conditions specific to certain sections are set out in the General Obligations of the **Policy**.

Additional obligations/conditions may be imposed by endorsement.

With regard to the events that culminate in a loss **We** will not rely on a breach of an obligation/ condition to decline a claim where **You** can prove that the breach could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

The **Policy** defines what is covered under the separate sections 1 to 5. Within those sections the extent of cover is explained together with obligations and exclusions specific to that Section.

There are **Policy** Exclusions applying to the whole **Policy** (pages 32 to 35). **We** will not pay a claim if an exclusion(s) is applicable.

The **Policy** Conditions (pages 36 to 38) set out certain rights and includes clauses that apply to the whole of the **Policy**.

The **Policy** Definitions (pages 39 to 42) provide the meaning to words and phrases wherever they appear in the **Policy**. **You** will see words in bold which highlights that for the purposes of the **Policy** they are a definition.

The **Schedule** attaching to this **Policy** will set out the period of this insurance and specify which Sections of the **Policy** are operative including the **Sums Insured**.

The **Schedule** may also contain clauses additional to the **Policy** wording that **We** have imposed placing additional obligations on **You** and/or varying coverage. The terms of those clauses will be attached to the **Policy** in the form of an endorsement.

If **You** feel that **You** need to make a complaint concerning this insurance, please refer to **Our** Complaints Procedure and Authorisation section of this **Policy**.

It is strongly recommended that **You** read the **Policy** including the **Schedule** and any endorsements to ensure that the cover meets with **Your** requirements. If the cover does not meet with **Your** requirements, **You** should immediately advise **Your** insurance broker.

We will then decide whether or not to agree to a variation of the **Policy**. However, the terms of the **Policy** will remain unaltered unless **We** have agreed to a variation in writing.

Privacy Notice

The privacy and security of **Your** personal information is very important to **Us**. Please see **Our** Privacy Notice at the end of this **Policy**.

Claims Notifications & Conditions

We aim to settle valid claims promptly and fairly in accordance with the cover provided under this **Policy**.

Your claim will be managed from within **Our** dedicated insurance claims team supported on certain occasions by a professional loss adjusting firm and/or a specialist services company to ensure **Your** claim is settled for the correct amount.

Please see Claims and Remedy Condition for procedures to follow and conditions. If **You** need to report a claim contact:

ERGO Claims Team
MPL Claims Management Ltd,
The Octagon
27 Middleborough
Colchester
CO1 1TG
Email: qunderwriting@mplclaims.com

You can call the Claims Team: **0345 450 4993**

INDEX

| | |
|---|----|
| Policy / Privacy Notice & Claims | 2 |
| Authorised Policy | 4 |
| General Obligations | 5 |
| Claims & Remedy Condition | 9 |
| Section 1 – Buildings..... | 10 |
| Section 2 – Rental Income | 20 |
| Section 3 – Terrorism..... | 23 |
| Section 4 – Property Owners Liability | 25 |
| Section 5 – Employers Liability | 29 |
| Policy Exclusions | 32 |
| Policy Conditions..... | 36 |
| Policy Definitions | 39 |
| Complaints Procedure..... | 43 |
| Authorisation & Regulation..... | 45 |
| Privacy Notice | 45 |

AUTHORISED POLICY

This **Policy** and any **Schedule** and/or endorsement are to be read together as one document.

This **Policy** is a legally binding contract which **You** have made with **Us**.

In consideration of the payment by **You** of the premium specified in the **Schedule We** agree (subject to the terms, conditions and exclusions of the **Policy**) to indemnify **You** against **Damage**, accident or **Injury** occurring during the **Period of Insurance**.

Provided always that:

- i) **Our** liability shall not exceed the **Sums Insured** or limits of liability stated in the **Schedule** or such other **Sums Insured** or limits of liability as may be substituted by endorsement or attached hereto
- ii) This **Policy** insures **You** only in respect of the sections where a **Sum Insured** or a **Limit of Indemnity** is specified in the **Schedule**

Any dispute arising out of or in connection with this **Policy** shall be subject to and construed solely in accordance with the laws of England and Wales. **You** and **We** agree that all disputes arising out of or in connection with the **Policy** shall be subject to the jurisdictions of the courts of England and Wales or as otherwise agreed in accordance with the Arbitration and EU Disclosure Clauses.

Several Liability Notice

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

GENERAL OBLIGATIONS

You have an obligation in **Your Proposal** to answer any questions honestly and accurately make a fair presentation of the risk and disclose every material fact and circumstance (a material fact or circumstance is material if it would influence the judgement of the **Underwriter** when considering whether to accept the risk and on what terms, conditions and premium) as otherwise **We** shall be entitled to remedy **Our** position in accordance with the Claims and Remedy conditions on page 9 of this **Policy**.

These obligations, where within **Your** control, also apply to variations and continue throughout the period of this insurance including any subsequent period(s) of insurance granted by **Us**.

Without prejudice to **Our** rights, if **You** are unsure as to what constitutes a fair presentation of risk, a material fact or circumstance, or if **You** have any questions concerning the **Policy** terms and conditions, **You** should check with **Your** insurance broker.

The **Policy** contains important terms and conditions that must be complied with including but not limited to:

Alteration in Risk

You must immediately notify **Us** if the risk has altered:

- a) by removal, alterations, additions of any fire or security protections or building components which might increase the risk of **Damage** to the **Property Insured** otherwise **We** may refuse to pay **Your** claim(s) or provide indemnity under this **Policy**.
- b) **You** must immediately notify **Us**:
 - i) if the **Business** is being wound up or carried on by a liquidator or receiver or permanently discontinued, or
 - ii) **Your** interest ceases except by will or operation of law, or
 - iii) there is a change of type of tenant or use at the **Premises**, or the **Buildings** becoming **Unoccupied**

otherwise the **Policy** will be treated as cancelled and all cover will terminate unless **You** have notified **Us** of any such alteration(s) described in i) to iii) above and at **Our** option **We** have agreed to continue with cover.

Burning of Waste

You must ensure that no burning of waste is carried out on the **Premises** otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded and indemnity under Section 4 will not operate.

Heat Application

If the use or application of heat takes place on the **Premises** in the course of **Renovations** or as specifically agreed by **Us** the following precautions and procedures must be complied with by **You** and/or **Your** contractor(s) on each occasion:

- a) application of heat by means of electric, oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers:
 - i) the area in which work is to be carried out shall be adequately cleared and combustible material shall be removed to a distance not less than 6 metres from the area of proposed work
 - ii) if work is to be carried out overhead then the area beneath shall be similarly cleared and all combustible materials removed
 - iii) suitable fire extinguisher with a capacity of not less than 9 litres shall be kept available for immediate use
 - iv) blow lamps and blow torches shall be lit in as short a time as possible before use and extinguished immediately after use
 - v) lighted blow lamps and torches shall not be left unattended
 - vi) half an hour after each period of work a thorough examination shall be made of and in the area in which works have been undertaken for any signs of smoke or smouldering or flames
 - vii) if work is to be carried out in the vicinity of composite/sandwich panels then such panels must be protected by non-combustible blankets drapes or screens
 - viii) a person is appointed by **You** or the contractor who will watch for signs of smoke or smouldering or flames and will take immediate steps to extinguish any smouldering or flames discovered during works and for a period of 60 minutes after works have finished
- b) use of asphalt, bitumen, tar, pitch or lead heaters if the heating is carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel is placed on a non-combustible heat insulating base
- c) the contractor(s) using the application of heat on the **Premises** shall have in place appropriate Public Liability insurance with an indemnity limit of no less than £2m and shall supply a copy of the insurance policy to **You** prior to starting the work

otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded and indemnity under Section 4 will not operate.

Inspections

As soon as the **Premises** or any part thereof become **Unoccupied**, **You** must ensure that:

- a) immediately prior to or upon commencement of this insurance **You** or **Your** nominee must carry out a detailed inspection of all doors, windows and other access points to ensure that they are secure against unauthorised entry and document the inspection including any signs of forced entry or occupation by unauthorised persons and detail any action required.
- b) during the **Period of Insurance** **You** or **Your** nominee must inspect the **Premises** every seven days, keeping a written record. All measures to prevent unauthorised entry or damage must be implemented but if such measures have proved inadequate, improvements to prevent further reoccurrences must be made and documented.
- c) if unauthorised entry or attempt thereat is detected more than twice during the **Period of Insurance**, immediate notice must be given to **Us**.
- d) all waste or refuse and other disused combustible materials will be cleared from the **Building(s)** and removed from the **Premises** at least once a week.

otherwise **Damage** caused by or arising from **Defined Perils** of fire and explosion will be excluded.

Item b) of this clause will not apply in the event of Government restriction on movement of persons that prevents attendance at the **Premises**

- e) all gas, water and electricity mains supplies are kept disconnected (except those supplies required to maintain the operation of automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes).

otherwise all **Damage** arising from or caused by the **Defined Perils** of fire, explosion, overflowing, discharge or leaking of any sprinkler apparatus and escape of water from any tank, apparatus or pipe will be excluded where such cover is granted.

Maintenance and Safety

It is important that **You** comply with requirements a) - d) below otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded and indemnity under Section 4 will not operate.

You must:

- a) if the **Premises** or any part thereof is let as residential accommodation comply with current gas safety regulations and laws and at the commencement and throughout the currency of this insurance and be in possession of a current gas safety certificate issued by a Gas Safe registered engineer. Any necessary repairs and maintenance must be carried out promptly by a Gas Safe registered engineer
- b) if **You** are responsible for gas installations at commercial **Premises**, undertake annual maintenance checks and at the commencement and throughout the currency of this insurance be in possession of a valid gas safety certificate issued by a Gas Safe registered engineer,
- c) at the commencement of this insurance and always throughout the currency of this insurance be in possession of an electrical installation condition report (EICR) that:
 - i) covers the whole of the electrical installation(s)
 - ii) is less than five years old and issued by a contractor approved and registered with one of the following:
 - National Inspection Council for Electrical Installation
 - Contractors (NICEIC)
 - Electrical Contractors Association (ECA)
 - National Association of Professional Inspectors and Testers (NAPIT)
 - Electrical Self-Assessment (ELECSA)
 - iii) documents that all C1 or C2 deficiencies or defects have been remedied

This requirement applies to:

- (i) All commercial **Premises** or for the commercial parts of **Premises** that are partially occupied as commercial **Premises**
 - (ii) All residential **Premises** or for the residential parts of **Premises** that are partially occupied as residential **Premises** where it is a legal requirement to have an EICR.
- d) in respect of any vessel, machinery or apparatus or its contents belonging to **You** or under **Your** control which is required to be examined to comply with any Statutory Regulations such vessel, machinery or apparatus shall be the subject of:
 - i) inspection(s) under contract, and
 - ii) regular maintenance schedules

and be in the possession of such certificates of inspection and evidence of maintenance.

Pipe Lagging

You must ensure that within the **Buildings**:

- a) there is a heating system linked to a frost-stat and a minimum temperature of 4°C is maintained between 31st October and 31st March annually
or
- b) all pipes are adequately lagged to prevent freezing.

otherwise all **Damage** will be excluded that arises from or is caused by the **Defined Perils** of overflowing, discharge or leaking of any sprinkler apparatus, escape of water from any tank, apparatus or pipe and indemnity under Section 4 will not operate.

Portable Heating

You must not provide, use or store on the **Premises** paraffin, portable electric or gas heaters or gas containers unless specifically agreed in writing by **Us** prior to such use or storage otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded and indemnity under Section 4 will not operate.

Reasonable Precautions

You must:

- a) take all reasonable precautions to prevent occurrences which may give rise to **Damage** or accidents
- b) take all reasonable steps to comply with statutory requirements, obligations and regulations imposed by any authority
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require
- d) when undertaking **Renovations** to the **Property Insured** take all reasonable precautions to prevent **Damage**.
You must not undertake **Building Works** without **Our** prior written agreement.

otherwise **We** may refuse to pay **Your** claims or provide indemnity under this **Policy**.

Security

It is important that **You** comply with requirements a) – d) below otherwise all **Damage** arising from or caused by the **Defined Perils** of fire, theft and malicious persons will be excluded:

- a) **You** must ensure that all protections provided for the safety and security of the **Premises** shall be maintained in good order and shall not be withdrawn altered or varied without **Our** prior consent and shall be in full and effective operation when the **Premises** are closed for business or left unattended, and at all other appropriate times
- b) **You** must ensure that any alarm and/or system forming part of the protections shall be maintained in full and efficient working order under a contract to provide both corrective and preventive maintenance with the installing company and/or in accordance with the manufacturer's recommendations.
- c) **You** must ensure that:
 - i) all external entry/exit doors are fitted with at least 5 lever mortice deadlocks complying to BS3621 or fitted with locking bars secured by five lever close shackle padlocks
 - ii) all windows and skylights that are accessible from the ground or basement level or from adjoining roofs, porches, walls, fire escapes or downpipes are either barred, grilled or fitted with key operated window locks
- d) **You** must notify **Us** as soon as possible if **You** receive notice:
 - i) that the police authority attendance or any contractually provided attendance in response to alarm signals and/or calls from any alarm system may be withdrawn or the level of response reduced or delayed or
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance in respect of any alarm system or
 - iii) that any alarm system cannot be returned to or maintained in full working order.

following any such notice **You** will be responsible for the first 20% of any **Damage** caused by or arising from theft or attempted theft subject to a minimum contribution of £2,500 and, **We** shall have the right to vary terms or can cancel cover provided under this **Policy**.

Sprinkler Maintenance

It is important that **You** comply with requirements 1- 7 below in respect of any installation(s) of Automatic Sprinklers at the **Insured Premises** otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded.

You must:

1. make a test every week for the purpose of ascertaining that the Alarm Gong is in working order and that the Stop Valve controlling the individual water supplies and the installation is fully open
2. make quarterly or half-yearly test if required by **Us** to do so to ensure that each water supply is in order and record the particulars of each test
3. make a test every weekday (holidays excepted) of the:
 - i) Fire Brigade connection
 - ii) circuit between the alarm switch and the control unit and
 - iii) batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a Fire Brigade

Note 1: it is permissible for test (i) to be carried out by the Fire Brigade if the latter are prepared to give a written undertaking to perform the duty

Note 2: where the circuits in (i) and (ii) are continuously monitored tests need only be made once per week

4. remedy promptly any defect revealed by such tests
5. notify **Us** before any installation is rendered inoperative or immediately in the event of an emergency
6. allow **Us** access to the **Premises** at all reasonable times for the purpose of inspecting the sprinkler installation
7. have in force during the **Period of Insurance** a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the installations(s) and to obtain from them following each inspection certification that they are in satisfactory working order.

Survey

If **We** have granted cover subject to a survey it is a requirement that **Your** full co-operation is provided to ensure that the survey is completed by the agreed survey completion date otherwise all cover will cease immediately unless an extension to the period has been agreed in writing by **Us**.

Following the survey, **We** reserve the right to cancel or vary this insurance with immediate effect or impose additional terms, conditions and exclusions and/or revise the premium rate.

You must implement survey requirements within the time limits specified by **Us** and maintain implementation of such requirements during the currency of this insurance and any additional periods granted by **Us** unless otherwise agreed.

If **You** fail to implement the term(s) of the requirement(s) within the time limit(s) specified by **Us** then all cover under the **Policy** shall terminate and remain inoperative unless:

- a) an extension to the time limits has been agreed by **Us** in writing, or
- b) all the survey requirement(s) have been fully implemented at the time of **Damage**, or
- c) **We** have agreed to waive the survey requirement(s).

For the avoidance of doubt all terms and conditions of the **Policy** continue unless otherwise agreed by **Us** in writing.

CLAIMS & REMEDY CONDITION

We aim to settle valid claims promptly and fairly in accordance with the cover provided by this **Policy**.

Upon discovery of an event that may give rise to a claim under this **Policy** **You** must report the circumstances to **Us** as soon as reasonably possible, but in any event within 30 days of the discovery, otherwise **We** shall be entitled to refuse indemnity under this **Policy**.

Your claim will be managed from within our dedicated insurance claims team supported on certain occasions by a professional loss adjusting firm and/or a specialist services company to ensure **Your** claim is settled for the correct amount as quickly as possible.

It is important that **You**:

- a) have made a fair presentation of the risk and disclosed every material fact and circumstance, and
- b) have complied with the obligations, terms and conditions of the **Policy** throughout the **Period of Insurance**

otherwise **Your** claim may not be paid.

If **You** submit a valid claim and it transpires that **You** have breached **Your** obligations of disclosure, or made a misrepresentation then following a breach of disclosure which is either deliberate or reckless **We** shall be entitled to:

- i) avoid the contract, refuse all claims, and
- ii) retain the premiums paid

If **You** submit a valid claim and it transpires that **You** have breached **Your** obligations of disclosure, or made a misrepresentation, then following a breach of disclosure which is neither deliberate or reckless **We** shall be entitled, if cover would not have been offered, to:

- i) avoid the contract, refuse all claims, and
- ii) return the premiums paid

If **You** submit a valid claim and it transpires that **You** have breached **Your** obligations of disclosure, or made a misrepresentation, then following a breach of disclosure which is neither deliberate or reckless **We** shall be entitled, if cover would have been offered on different terms, to:

- i) treat the contract as being entered into but the contract will be treated as if it had been entered into on those different terms (other than terms relating to premium), and
- ii) ¹reduce proportionately the amount to be paid on a claim if **We** would have entered into the contract (whether the terms relating to matters other than the premium would have been the same or different) but would have charged a higher premium. If more than one **Premises** is stated in the **Schedule**, the proportion of the premium charged for the **Premises** that has sustained **Damage** will be applied.

¹ reduce proportionately means that **We** need only pay on the claim X% of what otherwise **We** would have been under an obligation to pay under the terms of the **Policy** (or, if applicable, under the different terms provided for by virtue of paragraph i)), where –

X = premium actually charged X100

—————
higher premium

SECTION 1 – BUILDINGS

COVER AND BASIS OF SETTLEMENT

We agree that if, during the **Period of Insurance**, an item of **Property Insured** at the **Premises** sustains **Damage** due to a **Defined Peril**, then following an **Insured Event** under this Section We will pay You:

- i) the **Cost of Reinstatement** of the **Property Insured** provided that reinstatement or replacement takes place in accordance with the Reinstatement Conditions set out below,

Where reinstatement or replacement of the **Property Insured** does not take place in accordance with i) above for any reason whatsoever the Alternative Basis of Settlement Condition will apply.

Reinstatement Conditions

- i) **Our** liability for the repair or replacement of **Property Insured Damaged** in part only shall not exceed the amount which would have been payable had such property been wholly lost or destroyed.
- ii) No payment beyond the amount which would have been payable in the absence of this Reinstatement Basis of Indemnity shall be made:
 - a) unless reinstatement commences within 12 months of **Damage** occurring unless otherwise agreed by **Us**
 - b) until the **Cost of Reinstatement** shall have been actually incurred
 - c) if the **Property Insured** at the time of the **Damage** shall be insured by any other insurance effected by **You** or on **Your** behalf which is not upon the same basis of reinstatement.

Subject always to **Our** liability not exceeding the limits and **Sum Insured** stated in the **Schedule**.

Alternative Basis of Settlement Condition

Where **Cost of Reinstatement** is not applied We agree that if, during the **Period of Insurance**, an item of **Property Insured** at the **Premises** sustains **Damage** due to a **Defined Peril**, then following an **Insured Event** under this Section We will pay You, whichever is the lesser of:

- i) the cost to reinstate, repair or replace such property or any part of it less an appropriate deduction for depreciation wear and tear, or
- ii) the diminution in market value of the **Property Insured**

Subject always to **Our** liability not exceeding the limits and **Sum Insured** stated in the **Schedule**.

EXCLUSIONS APPLYING TO SECTION 1

- a) the amount of the **Excess** stated in the **Schedule**
- b) loss by delay, loss of market, Consequential Loss of any and every description
- c) **Property Insured** more specifically by or on behalf of **You** or more specifically covered under another Section of this **Policy**
- d) **Damage** to any **Property Insured** directly or indirectly caused or contributed from:
 - i) subsidence, collapse, landslip, ground heave, settling, cracking, shrinkage, expansion, settlement or bedding down of any building or foundation unless resulting from **Damage** not otherwise excluded
 - ii) moth, termites, vermin or insect, wear, tear, gradual deterioration, rust or oxidation, rot, mould or mildew, inherent vice, latent defect unless resulting from **Damage** not otherwise excluded
 - iii) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching or denting unless resulting from **Damage** not otherwise excluded
 - iv) change in climatic or atmospheric conditions or in water table levels,
 - v) theft, wind, rain, hail, sleet, snow, flood or dust **Damage** to movable property in the open, fences and gates
 - vi) infidelity or dishonesty by **You** or any of **Your Employees** or other persons to whom **Property Insured** may be entrusted or loss, destruction or **Damage** resulting from **You** voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence
 - vii) any unexplained loss or loss or shortage disclosed on taking inventory, misfiling or misplacing of information
 - viii) theft or attempted theft unless accompanied by forcible and violent entry into or exit from the **Building** or involving violence or the threat of violence
 - ix) any loss in excess of £10,000 for **Damage** caused by malicious persons where the person who caused the **Damage** was authorised to be on the **Premises** at the time of **Damage**
- e) **Damage** to:
 - i) property or structures in course of construction or erection and materials or supplies in connection with all such property and
 - ii) land, roads, pavements, piers, jetties, bridges, culverts or excavations

Limit of Indemnity

Our liability in respect of all incidents of **Damage** to an item of **Property Insured** during the **Period of Insurance** shall be limited as follows:

- i) If an individual **Sum Insured** is specified on the **Policy Schedule** for that item, **Our** liability shall be limited to that **Sum Insured**
- ii) In any event, **Our** liability shall in no circumstances exceed, in the aggregate, the total **Sum Insured** for the category of **Property Insured** on the **Schedule** under which that item falls.

But:

- i) If, at the time of **Damage** any **Buildings** are awaiting refurbishment, redevelopment or renovation, then **We** shall not be liable for any costs which would have been incurred by **You** in the absence of such **Damage** as part of that work.
- ii) If, at the time of **Damage** any **Buildings** are the subject of an existing contract or order for demolition then **Our** liability shall be limited to **Removal of Debris**.

Average Clause

Each item insured under this Section is declared to be separately subject to the following Condition of Average, namely:

If at the time of repair or rebuilding or replacement the **Cost of Reinstatement** which would have been incurred in reinstatement if the whole of the property by such item had been destroyed exceeds the **Sum Insured** thereon at the commencement of any **Damage** to such property then **You** shall be considered as being **Your** own insurer for the difference between the **Sum Insured** and the sum representing the **Cost of Reinstatement** of the whole of the property and shall bear a rateable proportion of the loss accordingly.

The **Excess** shall not be reduced if the Average clause applies to **Your** claim.

If the Alternative Basis of Settlement Condition is applied this Average clause is amended to:

The **Sum Insured** by each item is separately declared to be subject to Average.

If the **Sum Insured** for any such item shall, at the commencement of **Damage**, be less than the value of the property covered, then the amount payable by **Us** shall be proportionately reduced.

Other Insurances

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

DEFINITIONS SPECIFIC TO SECTION 1

Cost of Reinstatement means

- i) the rebuilding or replacement of property lost or destroyed which provided **Our** liability is not increased may be carried out:
 - a) in any manner **You** and **We** agree
 - b) on another site agreed by both **You** and **Us**
- ii) the repair or restoration of property **Damaged** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new including an allowance for **Removal of Debris, European Community and Public Authorities, Architects Surveyors Legal and Consulting Engineers Fees**

Removal of Debris means

Costs and expenses necessarily incurred by **You** with **Our** consent in:

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping of the portions of the **Property Insured**
- d) clearing drains sewers and gutters at the **Property Insured** as a result of **Damage** hereby insured against

We will not pay for any costs or expenses:

1. incurred in removing debris except from the site of such property destroyed or **Damaged** and the area immediately adjacent to such site
2. arising from **Pollution** or contamination of property not insured by this Section

European Community and Public Authorities means

Such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of:

- a) European Community Legislation, or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye Laws of any Public Authority (hereafter referred to as 'the Stipulations') which governs the construction, alteration and reinstatement of buildings.

Excluding the cost incurred in complying with the Stipulations:

- i) in respect of **Damage** occurring prior to the granting of this **Policy**
- ii) in respect of **Damage** not insured by this Section
- iii) under which notice has been served upon **You** prior to the happening of the **Damage**
- iv) for which at the time of **Damage** there is an existing requirement which has to be implemented within a given period
- v) in respect of property entirely undamaged by any peril hereby insured against
- c) the additional cost that would have been required to make good the property lost destroyed or **Damaged** to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- d) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations.

Architects Surveyors Legal and Consulting Engineers Fees means

The reasonable cost of employing architects, surveyors, lawyers and consulting engineers in the reinstatement or repair of the **Property Insured** consequent upon its **Damage** but not for preparing any claim.

EXTENSIONS APPLICABLE TO SECTION 1 – BUILDINGS

Additional Management Fees

Following an **Insured Event** this Section extends to cover **You** for the cost of managing agents fees that **You** incur for the management and supervision of repair or rebuilding work solely as a result of **Damage**.

Provided that:

- a) the fees solely relate to any additional work which would not have been necessary had the **Damage** not occurred.
- b) the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed £25,000

Additional Metered Utility Charges

We will pay to **You** additional cost of metered electricity, gas or water charges incurred by **You** as a result of **Damage** following an **Insured Event** under this **Policy** except those in respect of any loss which has not been discovered and remedial action taken within 30 days of the occurrence of the **Damage** provided that the maximum amount payable under this Clause in any one **Period of Insurance** shall not exceed £25,000.

Automatic Reinstatement of Sum Insured

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

Book Debts

In the event of **Damage** following an **Insured Event** under this section to **Your** books of account or other business books or records and **You** are in consequence thereof unable to trace or establish the Outstanding Debit Balances in whole or in part due to **You** then **We** will pay to **You** the amount of loss resulting from such **Damage** in accordance with the provisions herein contained.

The insurance hereunder is limited to the loss sustained by **You** in respect of Outstanding Debit Balances directly due to the **Damage** and the amount payable in respect of any one occurrence of **Damage** shall not exceed:

1. the difference between:
 - a) Outstanding Debit Balances and
 - b) the total of the amounts received or traced in respect thereof
2. the additional expenditure incurred with **Our** previous consent in tracing and establishing Customers' debit balances after the **Damage** provided that if the **Sum Insured** by this Item be less than the Outstanding Debit Balances the amount payable shall be proportionately reduced.

We will pay the reasonable charges payable by **You** to **Your** Professional Accountants for producing any particulars or details or any other proofs, information or evidence as may be required by **Us** under the terms of this **Policy** and reporting that such particulars or details are in accordance with **Your** books of account or other business books or documents provided that the sum of the amount payable under this clause and that amount otherwise payable under this Section shall in no case exceed the Total **Sum Insured** hereby.

Provided that the maximum amount payable under this extension shall not exceed £25,000 any one claim.

Capital Additions

Subject to **Damage** following an **Insured Event** under this **Policy** **We** agree to extend cover to include:

- a) any newly acquired and/or newly erected buildings or buildings in course of erection (excluding any property for which a building contractor is responsible) insofar as the same are not otherwise insured
- b) alterations, additions and improvements to buildings but not in respect of any appreciation in value anywhere in the United Kingdom

Provided that:

- i) at any one situation this cover shall not exceed 20% of the **Sum Insured** by this Section but in no case exceeding £1,000,000
- ii) **You** undertake to give particulars of such extension of cover as soon as practicable and in any event within 6 months of any newly acquired and/or newly erected buildings or alterations, additions and improvements to buildings and to effect specific insurance thereon retrospective to the date of the commencement of **Our** liability

Concern for Welfare Costs

This Section extends to include **Damage** caused by the police or people acting under their control in gaining access to the **Property Insured** as a result of their concern for the welfare of an occupier of the **Property Insured**.

Provided that:

- a) **We** will not be responsible for costs incurred following **Damage** caused by the police in the course of criminal investigations.
- b) the maximum amount payable under this extension shall not exceed £25,000 any one claim.

Contents of Communal Parts

Following an **Insured Event** this Section extends to include **Damage** to **Contents of Communal Parts** belonging to **You** as owner or for which **You** are responsible whilst contained in the **Buildings**.

Provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed £25,000.

Damage to Landscaped Gardens

We agree to extend cover to include the cost of restoring any **Damage** to landscaped gardens including trees caused by the Emergency Services in attending the **Premises** following an **Insured Event**

Provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed £25,000.

Damage to Cables and Underground Pipes

Subject to **Damage** following an **Insured Event** under this **Policy** **We** agree to extend cover to include the cost of repairing **Damage** for which **You** are responsible to cables and underground pipes and drains (and their inspection covers) on the **Property Insured** or connecting them to the public mains subject to the terms and conditions of the **Policy**

Provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed £10,000.

Expediting Costs

We will cover **You** for the costs and expenses that **You** incur with **Our** written consent for temporary repairs following **Damage** to the **Property Insured** in order to keep **Your Premises** secured.

Provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed £10,000.

Fly Tipping

We will pay for the costs incurred by **You**, with **Our** prior consent, in removing property illegally deposited during the **Period of Insurance** within the boundaries of the **Premises** including the cost of cleaning of the **Premises** after such removal up to the value of £10,000.

Provided that this extension shall not apply where the **Property Insured** is **Unoccupied**

Frustrated Legal Costs

If the sale of any **Building** insured is cancelled solely as a result of **Damage**, then cover extends to include the actual loss sustained by **You** for legal costs and expenses incurred or subsequently incurred solely as a result of the cancellation of the sale because of the **Damage**.

Provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed £25,000

Glass

We will pay **You** following breakage of **Glass** at the **Premises** as specified in the **Schedule** including:

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

Our liability under this Extension does not cover:

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

Provided that **Our** liability shall not exceed the **Sum Insured** stated in the **Schedule** at the time of the **Damage**.

Illegal Cultivation of Drugs

We will cover **You** for the clean-up costs and remedial works from the use of the **Premises** for the manufacture, cultivation, harvesting or processing by any other method of drugs classed as a controlled substance under the Misuse of Drugs Act (1971) provided that **You**:

- a) carry out internal and external inspections of the **Buildings** at least every 3 months or as frequently as is permitted under the tenancy agreement and:
 - i) maintain a log of those inspections and retain that log for at least 24 months
 - ii) carry out a 6 monthly management check of the inspections log
- b) obtain and record a written formal identification of any prospective tenant
- c) obtain and retain a written employers reference for any new tenant
- d) obtain and record details of **Your** tenant's bank account and verify those details by receiving at least one payment from that account
- e) advise **Your** tenant, where sub-letting is allowed by the tenancy agreement, that they must follow the measures laid out in items b) c) and d) above for all lettings that they arrange.

Provided that this extension shall not apply where the **Property Insured** is **Unoccupied**

If **You** do not comply with the above, **You** will not receive payment in respect of a claim.

Inadvertent Omission

We will cover **You** for **Buildings** and rent that has been inadvertently omitted, provided that **You** have notified **Us** of **Your** intention:

- a) to cover any **Building** within the **Territorial Limits** which is owned or leased by **You**
or
- b) to cover any **Building** **You** are under a contract to purchase or lease

We will provide cover within the terms of this section, subject to payment of the premium for all the property inadvertently omitted from the start date of this section.

But **We** will not cover:

- a) **Buildings** which due to the terms of a lease, mortgage or other agreement should have been insured with another insurer
- b) **Buildings** which at the time of loss there is an existing policy covering the same **Damage**
- c) property uninsured due to your failure to renew an existing policy.

Provided that at any single premises the maximum amount payable for any one claim shall not exceed 20% of the **Sum Insured** by this section and in no case exceed £1,000,000.

Landlords Contents

Following an **Insured Event** this Section extends to include **Damage** to **Landlords Contents** up to the **Sum Insured** stated in the **Schedule**. However, if, at the time of **Damage**, the **Sum Insured** stated in the **Schedule** is less than the full value of the **Property Insured** by that item, the amount payable by **Us** will be proportionately reduced.

Landlords Gardening Equipment

We will cover **You** for **Damage** to gardening equipment located in a locked **Building** or outbuilding at the **Premises** but excluding **Damage** following theft or attempted theft that does not involve entry to or exit from the **Buildings** by forcible and violent means.

Provided that the maximum amount payable under this extension shall not exceed £25,000 any one claim.

Loss Reduction Expenses

We will cover **You** for the costs and expenses necessarily and reasonably incurred by **You** with **Our** consent in:

- a) preventing or reducing imminent **Damage** which would have been covered by this section
- b) reducing, mitigating or otherwise alleviating **Damage** covered by this section during the occurrence of such **Damage**

Provided that:

- i) the impending **Damage** was not reasonably foreseeable earlier and would be the natural outcome if the costs and expenses were not incurred
- ii) the impending **Damage** did not arise from any defect in the **Property Insured**
- iii) **We** are satisfied that **Damage** which would have been covered by this section has been avoided or reduced as a result of the measures taken.
- iv) the maximum amount payable under this extension shall not exceed £25,000 any one claim or during any one **Period of Insurance**

Multiple Insureds

This section covers the joint insured parties as detailed below for each party's respective rights and interests.

- a) Where more than one insured party is shown in **Your Schedule** and each insured party operates as a separate and distinct entity then the cover provided by this section will apply to each insured party as if a separate policy had been issued to each provided that **Our** total liability to all insured parties together does not exceed the **Sum Insured** including any inner limits shown in the section.
- b) Any payment or payments that **We** make to any or all insured parties will reduce **Our** liability by the amount of the payment to all insured parties for any loss covered by the **Policy** and (if applicable) in the **Period of Insurance**.
- c) Each of the insured parties will comply with the contractual rights and agreements entered into by each insured party and the contractual remedies following loss or **Damage**.
- d) **We** will not pay any claim to an insured party if **We** find that the insured party has not complied with **Our** Fair Presentation of Risk condition or where the insured party has committed fraud or not complied with a **Policy** condition each being a vitiating act. A vitiating act (as explained in this extension) committed by one insured party will not affect the rights of the other insured parties who have not committed a vitiating act.

Non-Invalidation

The cover provided by this section will not be invalidated by any act or omission or alteration where the risk of **Damage** is increased unknown to **You** and beyond **Your** control, provided that when **You** become aware of it, **You** tell **Us** immediately and pay any additional premium and comply with any additional terms agreed with **Us**.

Obsolete Buildings Materials

We will cover **You** for the reasonable additional costs that **You** incur in the replacement of **Damaged Property Insured** where the use of more modern materials was used, compared to the original materials used at the time of installation.

The **Property Insured** will not be regarded as being better or more extensive than when new, provided that **Our** liability does not exceed 10% of the relevant value of the **Property Insured** for the additional costs.

Personal Possessions

Subject to **Damage** following an **Insured Event** under this **Policy We** agree to extend cover to include directors, partners, customers, visitors and **Employees** personal effects of every description (other than motor vehicles) within the **Premises** insofar as they are not otherwise insured for an amount not exceeding £500 in respect of any one person.

Removal of Debris Tenants Contents

Following an **Insured Event** under this section **We** will pay **You** the irrecoverable costs and expenses (insofar as they are not otherwise insured) necessarily incurred by **You** with **Our** consent in removing from the **Property Insured** the debris of contents (not being **Your** property) as a result of **Damage** hereby insured against. **We** will not pay for any costs or expenses:

1. incurred in removing debris except from the site of such property destroyed or **Damaged** and the area immediately adjacent to such site
2. arising from **Pollution** or contamination of property not insured by this Section

Provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed £5,000.

Rent and Alternative Accommodation

Where the **Property Insured** is occupied solely or partially as a block of flats or private dwelling house, **We** will cover **You**

- a) for the loss of **Rental Income**
- or

- b) for the costs of reasonable alternative accommodation for **Your** tenants or lessees and temporary storage of **Your** tenants or lessees furniture
- c) for the cost of reasonable accommodation in kennels or catteries for **Your** tenants or lessees dogs and cats

while **Your** flat or private dwelling house is unfit to live in, or while access to **Your** flat or private dwelling house is denied as a result of **Damage** covered under this **Policy**.

The most that **We** will cover is 20% of the **Sum Insured** for **Buildings** shown on **Your Policy** for a maximum period of 36 months from the date of **Damage** for which **We** are covering a loss provided this cover is not insured elsewhere

Sale of Property Insured

If at the time of **Damage** to any **Building** insured under this Section **You** shall have contracted to sell **Your** interest in such a **Building** and the purchase shall not have been but shall be thereafter completed, the purchaser on completion of the purchase if and so far as the property is not otherwise insured by or on behalf of the purchaser against such **Damage** shall be entitled to the benefits of this Section of the **Policy** so far as it relates to such **Damage** without prejudice to the rights and liabilities of **You** or **Us** under this Section up to the date of completion.

Services Clause

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

Seventy two hour provision

We will cover **You** for **Damage** within 72 consecutive hours of and caused by storm or flood as one claim, provided the perils are covered by this section.

You can decide when the 72 hour period starts as covered by this section, provided that the **Damage** occurred before the end of the **Period of Insurance**.

Theft of Keys

We will pay **You** the reasonable costs necessarily incurred in replacing external door locks at the **Premises** if there is reasonable evidence that the keys have been duplicated by an unauthorised person or following the loss of keys by:

- a) theft from the **Premises** or Registered Office or from **Your** home or the home of any principal, director, partner or **Employee** authorised to hold such keys
- b) theft following hold up whilst such keys are in **Your** personal custody or the personal custody of any principal, director, partner or **Employee** authorised to hold such keys

Provided that the maximum amount payable under this Extension in any one **Period of Insurance** shall not exceed £5,000.

Trace and Access

We will pay **You** the reasonable costs necessarily incurred in locating the source and subsequent making good of **Damage** resulting from:

- a) the escape of water from any tank, apparatus or pipe serving the **Premises**
- b) accidental **Damage** to cables, underground pipes and drains serving the **Premises**

Provided that in respect of a) the **Defined Peril** of escape of water from any tank apparatus or pipe is operative.

The maximum amount payable under this Extension in any one **Period of Insurance** shall not exceed £10,000.

Tree Felling or Lopping

We will cover **You** for the cost of felling or lopping trees at the **Property Insured** which are an immediate threat to the safety of life or property as a result of **Damage**.

Provided that the maximum amount payable under this extension shall not exceed £5,000 any one claim and £25,000 during any one **Period of Insurance**

Unauthorised Use of Utilities

We will pay **You** the cost of metered electricity, gas or water for which **You** are legally responsible arising from its unauthorised use by persons taking possession, keeping possession or occupying the **Premises** without **Your** authority provided that **You** shall take all practical steps to terminate such unauthorised use as soon as it is discovered

Provided that this extension shall not apply where the **Property Insured** is **Unoccupied** and that the maximum amount payable under this Clause in any one **Period of Insurance** shall not exceed £10,000

Undamaged Portions of Buildings

We will cover **You** for the costs and expenses necessarily incurred by **You** with our prior consent in replacing or modifying undamaged portions of the **Property Insured**.

Providing it is necessary to make those alterations and they are in keeping with the repairs, restoration or replacement of the **Damaged** portion of the **Property Insured**.

The most **We** will cover **You** for the undamaged portions of the **Property Insured** (other than foundations) is 20% of the total cost of rebuilding had the **Damaged Property Insured** been totally destroyed

SPECIAL EXTENSIONS APPLICABLE TO SECTION 1 – BUILDINGS

1. Accidental Damage

This extension only applies when shown as 'Covered' on the Schedule. This Section extends to cover the **Property Insured** specified in the **Schedule** against accidental **Damage** occurring during the **Period of Insurance** at the **Premises** subject to the **Sums Insured** specified in the **Schedule** and the following exclusions.

Exclusions:

- a) The amount of the **Excess** specified in the **Schedule**
- b) **Damage** caused by or following upon subsidence, collapse, landslip, ground heave, settling, cracking, shrinkage or expansion of any building or foundation
- c) Mechanical and/or electrical derangement and/or breakdown, breakage of valves, filaments and the like burning out or **Damage** directly caused by short circuiting and/or claims arising from overheating
- d) **Damage** caused by moth, vermin or insect, wear, tear, gradual deterioration, rust or oxidization, rot, mould or mildew, inherent vice, latent defect, mysterious disappearance or unexplained shortage
- e) **Damage** caused by faulty manipulation, scratching or denting or loss of magnetism and/or erasure of tapes or faulty projection, shortage in weight, contamination, taint or insufficiency of insulation

- f) Breakage of articles of a brittle nature (other than jewellery) unless such breakage is caused by burglars, thieves or fire and/or Breakage of **Glass**, over winding or internal damage of clocks and/or watches
- g) Loss by delay, loss of market, consequential loss of any and every description
- h) **Damage** which is sustained whilst the **Property Insured** is being worked upon or is under any process and directly resulting therefrom
- i) **Damage** caused by climatic or atmospheric conditions or extremes of temperature
- j) Infidelity or dishonesty by **You** or any of **Your Employees**
- k) **Damage** to aircraft, watercraft, vehicles, livestock, growing timber or crops, jewellery, furs, watches, precious metals/stones, money, documents, **Data** or word-processing, media or **Computer Systems** records
- l) **Damage** insured more specifically under any other Section or Sections of this **Policy** or any other Insurance
- m) **Damage** to TV and radio aerials, satellite dishes, aerial fittings and masts.

2. Subsidence Ground Heave and Landslip

This extension only applies when shown as 'Covered' on the **Schedule**

Notwithstanding exclusion d i) in this Section of the **Policy**, cover extends to include **Damage** caused by Subsidence or Ground Heave of any part of the site on which the property stands or Landslip excluding:

- a) The amount of the **Excess** specified in the **Schedule**
- b) **Damage** to yards, car parks, roads, pavements, walls, gates and fences unless also affecting a **Building** insured hereby
- c) **Damage** caused by or consisting of:
 - i) the normal settlement or bedding down of new structures
 - ii) the settlement or movement of made up ground
 - iii) coastal or river erosion
 - iv) defective design or workmanship or the use of defective materials
 - v) an insured peril not otherwise excluded
- d) **Damage** which originated prior to the inception of this cover
- e) **Damage** resulting from:
 - i) demolition, construction, structural alteration or repair of any property or
 - ii) groundwork or excavation at the **Premises**

Terms applying to this Extension

You shall notify **Us** immediately **You** become aware of any demolition, groundwork, excavation or construction being carried out on any adjoining site to the **Premises**.

We shall then have the right to vary the terms or cancel this extension of cover

CONDITIONS APPLICABLE TO SECTION 1 – BUILDINGS

Day One Basis

The Reinstatement Conditions are amended as follows:

- a) the Declared Value for the purposes of this endorsement represents the **Cost of Reinstatement You** have declared and shall be the basis by which any calculation would be applied to the Average Clause.
- b) the **Sum Insured** stated in the **Schedule** includes a provision if the **Cost of Reinstatement** increases beyond the Declared Value solely due to the effect of inflation from the date that **Damage** occurred.

Subject always to **Our** liability not exceeding the limits and **Sum Insured**.

All other terms and conditions remain unaltered.

The following condition changes the basis of cover from that previously described in the **Policy**

Subject to the following Special Conditions the basis upon which the amount payable in respect of any item on **Buildings** is to be calculated will be reinstatement.

Your having stated in writing the Declared Value (shown in brackets below the sum insured) of the **Buildings** the premium has been calculated accordingly.

Declared Value means **You** assessment of the **Cost of Reinstatement** of the **Buildings** at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the item provides due allowance for:

- a) the additional costs of Reinstatement to comply with European Community and public authority requirements
- b) professional fees
- c) debris removal costs

Special Conditions

At the inception of each **Period of Insurance** **You** will notify **Us** of the Declared Value of the **Buildings** item. In the absence of such declaration the last amount declared by **You** will be taken as the Declared Value for the ensuing **Period of Insurance**.

Notwithstanding anything to the contrary within this **Policy** the following clauses apply:

If at the time of **Damage** the Declared Value in respect of each separate property insured be less than the **Cost of Reinstatement** (including due allowance for the costs described above to the extent the insurance by the item provides cover for such costs) at the inception of the **Period of Insurance** then **Our** liability for the **Damage** will not exceed that proportion thereof which the Declared Value bears to such **Cost of Reinstatement**.

Our liability for the repair or restoration of property **Damaged** in part only shall not exceed the amount which would have been payable had such property been wholly destroyed.

No payment beyond the amount which would have been payable in the absence of this Condition shall be made:

1. unless reinstatement commences and proceeds without unreasonable delay
2. until the **Cost of Reinstatement** shall have been actually incurred
3. if the **Buildings** at the time of their loss destruction or **Damage** shall be insured by any other insurance effected by or on **Your** behalf which is not upon the same basis of reinstatement.

All the terms and conditions of this **Policy** shall apply:

- a) in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby
- b) where claims are payable as if this Special Condition had not been incorporated except that the sums insured will be limited to the percentage of the Declared Values as stated in the **Schedule**

Mortgagees and Other Interests

The interest of the Leaseholders, Mortgagee(s) and Tenants in the **Property Insured** to which their interest applies is noted. Such interest must be advised to **Us** in the event of **Damage**. In addition, if, without the knowledge of the Leaseholders, Mortgagee(s) and Tenants, there is a change in the use of the **Premises** which constitutes an increase in the risk of **Damage**, cover under this **Policy** shall not be prejudiced provided that the Leaseholders, Mortgagee(s) and Tenants shall immediately on becoming aware thereof give notice in writing to **Us** and on demand pay such reasonable additional premium as **We** may require.

Subrogation Waiver

In the event of a claim under this section **We** agree to waive any rights, remedies or relief which **We** might have become entitled by subrogation against:

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

Value Added Tax

To the extent that **You** are registered with and accountable to or should, according to the applicable laws at the time, be registered with and accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.

SECTION 2 – RENTAL INCOME

COVER

Following an **Insured Event** under Section 1 and the **Business** carried on by **You** at the **Premises** stated in the **Schedule** being interrupted or interfered with **We** will pay **You** the amount of loss arising as a result in accordance with the following provisions.

The insurance is limited to loss due to:

- i) loss of **Gross Rentals**
- ii) increase in cost of working

and the amount payable as indemnity thereunder shall be:

- i) the amount by which the **Gross Rentals** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the **Standard Gross Rentals**
- ii) the additional expenditure necessarily and reasonably incurred including the cost of re-letting the **Premises** (including legal fees) for the sole purpose of avoiding or diminishing the loss of **Gross Rentals** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction in **Gross Rentals** thereby avoided

less any sum saved during the **Indemnity Period** in respect of such charges or expenses of the **Business** as may cease or be reduced in the consequence of the **Damage** provided that:

1. payment shall have been made or liability admitted under Section 1 of this **Policy** in respect of such **Damage**
2. if the **Sum Insured** by this Section be less than the **Annual Gross Rentals** (or a proportionately increased multiple thereof where the Maximum **Indemnity Period** exceeds twelve months) the amount payable shall be proportionately reduced.

Alternative Trading

If during the **Indemnity Period** accommodation shall be provided or services rendered elsewhere other than at the **Premises** for the benefit of the **Business** either by **You** or by others on **Your** behalf the money paid or payable in respect of such accommodation and services shall be brought into account in arriving at the **Gross Rentals** during the **Indemnity Period**.

Automatic Rent Review

Where the **Gross Rentals** are subject to a rent review during the **Period of Insurance** the relevant **Sum Insured** will be automatically increased to reflect the revised **Gross Rentals** earned up to a maximum increase of 100% of the **Sum Insured** on **Gross Rentals** stated in 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 **Gross Rentals** for the ensuing **Period of Insurance**.

Buildings Awaiting Sale

If at the time of the **Damage** **You** have contracted to sell **Your** interest in the **Buildings** and the sale is cancelled or delayed solely in consequence of the **Damage** the amount payable under this Section may at **Your** option be amended as follows:

- a) during the period prior to the date upon which but for the **Damage** the sale of the **Buildings** would have been completed:
 - i) reduction in **Gross Rentals**, being the amount by which the **Gross Rentals** earned during the **Indemnity Period** will, in consequence of the **Damage**, fall short of the **Standard Gross Rentals**
- b) during the period commencing with the date upon which but for the **Damage** the sale of the **Buildings** would have been completed and ending with the actual date of sale or with the expiry of the **Indemnity Period** if earlier, the loss of interest, being:
 - i) reasonable interest actually incurred on capital borrowed in connection with the Business solely to replace (in whole or in part) the loss of use of the sale proceeds
 - ii) reasonable investment interest lost on any balance of the sale proceeds (after deduction of any capital borrowed as provided for under i) above)
- c) additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or minimising the loss payable under paragraphs a) or b) above, but not exceeding the amount of the reduction avoided by such expenditure.

Provided that **Our** liability under this Extension and the section will not exceed the **Sum Insured** set against the item on **Gross Rentals** in the **Schedule** plus any payment under the Automatic Rent Review Extension in any one **Period of Insurance**.

Capital Additions

This Section extends to include within the **Sum Insured Gross Rentals** in respect of:

- a) alterations, additions, extensions and improvements to the **Premises** insured
- b) newly acquired and or newly erected buildings anywhere in the United Kingdom provided they are not otherwise insured

Provided that:

- i) at any one **Premises** the cover shall not exceed 10% of the total **Sum Insured** on **Gross Rentals** or £1,000,000 whichever is the less
- ii) **You** undertake to give particulars of such extension of cover as soon as practicable and in any event within 6 months of any newly acquired and/or newly erected buildings or alterations, additions and improvements to buildings and to effect specific insurance thereon retrospective to the date of the commencement of **Our** liability

Denial of Access

Damage to property in the vicinity of the **Premises** which prevents or hinders the use of the **Premises** or access thereto whether **Your Premises** shall be **Damaged** or not (but excluding **Damage** to property of any supply undertaking from which **You** obtain electricity, gas or water or telecommunications services which prevent or hinder the supply of such services) shall be deemed to be loss resulting from **Damage to Property Insured** at the **Premises**.

Provided that the maximum amount payable under this Clause shall not exceed 10% of the **Sum Insured** or £100,000 whichever is the less.

Failure of Public Supply

Damage to property at any:

- a) generating station or sub-station of the public electricity supply undertaking
- b) land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith
- c) water works and pumping stations of the public water supply undertaking
- d) land based premises of the public telecommunications undertaking

from which **You** obtain electricity, gas, water or telecommunication services within the **Territorial Limits** shall be deemed to be loss resulting from **Damage to Property Insured** at the **Premises**.

Loss of Attraction

Damage to property in the vicinity of the **Premises** which shall deter potential tenants whether **Your Premises** or property therein shall be **Damaged** or not shall be deemed to be a loss resulting from **Damage to Property Insured** at the **Premises** provided that the maximum amount payable under this Clause in any **Period of Insurance** shall not exceed:

- a) £50,000 or the **Sum Insured** in respect of each **Premises** whichever is the less
- b) £250,000 in aggregate.

Loss or Damage at Managing Agents Premises

Damage to property at the **Premises** of **Your** Managing Agent shall be deemed to be loss resulting from **Damage to Property Insured** at the **Premises**

Murder Suicide & Defect Clause

This Section is extended to include loss directly resulting from interruption of or interference with the **Business** carried on by **You** at the **Premises** in consequence of:

- a) murder or suicide occurring at the **Premises**
- b) **Injury** or illness sustained by any guest arising from, or traceable to, foreign or injurious matter in food or drink provided on the **Premises**
- c) the closing of the whole or part of the **Premises** by the order or on the advice of a competent Public Authority as a result of:
 - i) defects in the drains or sanitary installations at the **Premises**
 - ii) the **Premises** becoming infested with vermin or pests

For the purpose of this clause, **Indemnity Period** means the period during which the **Business** shall be affected in direct consequence of the interruption or interference commencing the date the restrictions on the **Premises** were applied for a period not exceeding three months thereafter.

The maximum amount payable under this clause shall not exceed in respect of any one loss 10% of the **Sum Insured** or £25,000 whichever is the lesser amount.

New Business

For the purpose of any claim arising from **Damage** occurring before the completion of the first years trading of the **Business** at the **Premises** Definitions **Annual Gross Rentals** and **Standard Gross Rentals** shall bear the following meanings and not as within stated:

Annual Gross Rentals

The proportional equivalent for a period of twelve months of the **Gross Rentals** realised during the period between the commencement of the **Business** and the date of the **Damage**

Standard Gross Rentals

The proportional equivalent for a period equal to the **Indemnity Period** of the **Gross Rentals** realised during the period between the commencement of the **Business** and the date of the **Damage**

To which adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variation in or special circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Other Insurances

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

Payments on Account

Following an **Insured Event** **We** will make monthly payments on account during the **Indemnity Period** to **You** if desired.

Professional Accountants Charges

We will indemnify **You** in respect of reasonable fees payable by **You** to **Your** professional accountants for producing any particulars or details contained in **Your Business** books or documents or other such proofs information or evidence as **We** may require under the terms of the Claims – **Your Duties** section of the **Policy Conditions** and reporting that such particulars or details are in accordance with **Your Business** books or documents.

Rent Free Period

If at the date of the **Damage** any **Premises** are subject to a rent free period under the terms of the lease then the **Indemnity Period** stated in the **Schedule** shall be adjusted by adding the unexpired portion of the rent free period to the number of years shown in the **Schedule** provided that **Our** liability does not exceed the **Sum Insured** stated in the **Schedule**

Value Added Tax

To the extent that **You** are registered with and accountable to or should, according to the applicable laws at the time, be registered with and accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.

SECTION 3 – TERRORISM

COVER

In any action suit or other proceedings where **We** allege that any **Damage** is not covered by this Section the burden of proving that such **Damage** is covered shall be upon **You**

This Insurance is extended for the **Period of Insurance** stated in the **Schedule** to include:

- a) **Damage to Property Insured** at the **Premises**, as stated in the **Schedule** to this Insurance, situated in the United Kingdom other than Northern Ireland (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987) and
- b) where applicable under this Insurance consequential loss arising from business interruption arising out of **Terrorism**

provided always that the **Terrorism** Insurance provided under this Extension is:

A not applicable to:

1.

- a) any land or building of which any part is insured in the name of an individual; or
- b) occupied as a private residence, or owned or occupied in the name of an individual, unless
 - i) the part so occupied/owned is less than 80% of the land or building as a whole; and
 - ii) the proportion of such land or building which is commercially occupied is more than 20%; and
 - iii) any part which is occupied as a private residence, or owned or occupied in the name of an individual, is insured
 - under the same **Policy** to which this Extension applies and which otherwise insures the part which is not so occupied, or owned or occupied, or
 - separately, but in any event not in the name of an individual

(where any person holds or owns flats or houses insured hereunder as a trustee pursuant to the terms of a trust, or by way of a business as a sole trader, such person shall not be construed as an 'individual' for the purposes of this proviso A.1, unless such person occupies any such flat – not including a block of flats - or house as a private residence)

2. any Nuclear Installation or Nuclear Reactor

Nuclear Installation

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
- 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 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

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.

- B not subject to any of the excluded perils specified in this Insurance other than those applying specifically in respect of the **Terrorism** Insurance provided under this Section as stated in D and E below
- C subject otherwise to the terms, conditions, exclusions, deductibles and limits of this Insurance except as expressly varied hereby
- D subject to the exclusion of war and allied risks, defined as any loss whatsoever occasioned by 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

- E subject to the exclusion of digital or cyber risks, defined as any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:
- a) the alteration, modification, distortion, corruption of or damage to any **Computer** or other equipment or component or system or item which processes, stores, transmits or receives **Data** or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
 - b) any alteration, modification, distortion, erasure, corruption of **Data** processed by any such **Computer** or other equipment or component or system or item, whether or not **Your** property, 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**

Virus or Similar Mechanism

Virus or Similar Mechanism means program code, programming instruction or any set of instructions Intentionally constructed with the ability to damage, interfere with or otherwise adversely affect **Computer** programs, **Data** files 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.

Hacking

Hacking means unauthorised access to any **Computer** or other equipment or component or system or item which processes stores or retrieves **Data**, whether or not **Your** property.

Phishing

Phishing means any access or attempted access to **Data** or information made by means of misrepresentation or deception.

Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of Service Attacks include, but are not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks and provided that **Our** liability in respect of all losses arising out of any one occurrence and, where applicable under this Insurance, in the aggregate in any one **Period of Insurance** shall not exceed the limits as otherwise specified in this Insurance.

Irrespective of the currency in which this Insurance is expressed, the limit of liability and the premium for the Terrorism Insurance effected by this Section will be determined in sterling.

Special Conditions

The Terrorism Insurance provided under this Section shall not apply to:

- a) any Long Term Agreement / Undertaking to which this Insurance is subject
- b) any terms in this Insurance that provide for adjustments of premium based upon declarations on expiry or during the **Period of Insurance**
- c) any aggregate limit contained in this Insurance regarding the amount to be borne by **You** as a result of the operation of a deductible

Special Provision

Notwithstanding anything stated herein to the contrary, this Terrorism Section applies also to any **Property Insured** at the **Premises**, as stated in the **Schedule** to this Insurance, which is insured in the name of an individual and is occupied as a private residence, other than in respect of 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) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or
- b) chemical and/or biological and/or radiological irritants, contaminants or pollutants.

SECTION 4 – PROPERTY OWNERS LIABILITY

COVER

Following an **Insured Event** **We** will indemnify **You** against all sums **You** shall become legally liable to pay including claimants costs and expenses arising out of an event(s) occurring during the **Period of Insurance** that causes:

- a) **Injury** to any person other than an **Employee**; or
- b) loss of or damage to material property

caused solely and directly by:

- a) any activity by **You** in the course of **Renovations** or site visits to the **Premises**, without contribution in any material way to the **Injury** or **Damage** by any act, omission, activity or operation of any other party while that party is carrying on trading activities of any kind on or at the **Premises**; or
- b) a defect in the physical state of the **Premises** which has not been caused or contributed to in any material way by any act, omission, activity or operation of any other party while that party is carrying on trading activities of any kind on or at the **Premises**.

occurring within the **Territorial Limits**

Besides the above, there will be no indemnity to **You** for any liability in respect of any accidental **Injury** to any person, or loss of or **Damage** to material property, under this section of the **Policy**, and it is **Your** responsibility to effect **Your** own public liability insurance to cover any such liability

Cover under this Section extends to Indemnify **You** in respect:

- a) obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement; or
- b) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy

occurring within the **Territorial Limits**

This extension applies only in respect of **Your** liability where the relevant circumstance listed above has been solely and directly caused by **Your** acts or omissions.

Where **Your** liability arising out of the relevant circumstance has been caused or contributed to in any material way by any act, omission, activity or operation of any other party while that party is carrying on trading activities of any kind on or at the **Premises**, there will be no indemnity to **You**, and it will be the responsibility of that third party to effect its own public liability insurance to cover any such liability.

Additional Persons Insured

This Section extends to include in the event of the death resulting from **Injury** of any person entitled to indemnity under this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person.

At **Your** request **We** will indemnify under the terms of this Section **Your** directors, **Employees** leaseholders and tenants in respect of liability arising in connection with the ownership of the **Premises** described in the **Schedule**

Provided always that:

- a) each such additional person insured shall as though they were **You** observe fulfil and be subject to the terms of this **Policy** insofar as they can apply
- b) **We** shall retain the sole conduct and control of all claims.

Compensation for Court Attendance

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

- a) any director or partner £250
- b) any **Employee** £100

Corporate Manslaughter and Corporate Homicide Act 2007

Cover under this Section extends to Indemnify **You** in respect of legal costs and expenses incurred with **Our** prior written consent in connection with the defence of any criminal proceedings (including any appeal against conviction arising from any such proceedings) brought in respect of a charge and or investigations connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man committed or alleged to have been committed during the **Period of Insurance** in the course of the **Business**. Provided always that:

- a) **Our** liability under this extension shall not exceed £5,000,000 in any one **Period of Insurance** or the **Limit of Indemnity** stated in the **Schedule** whichever is the lesser. This limit will form part of and not be in addition to the **Limit of Indemnity** stated in the **Schedule**
- b) This Extension shall apply only to proceedings brought in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- c) **We** must consent in writing to the appointment of any solicitor or counsel who are to act for and on **Your** behalf
- d) **You** shall give immediate notice to **Us** of any summons or other process served upon **You** which may give rise to proceedings under this extension
- e) In relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- f) **We** shall be under no liability:
 - i) Where **You** have committed any deliberate or intentional criminal act giving rise to a corporate manslaughter or corporate homicide charge
 - ii) In respect of fines or penalties of any kind
 - iii) In respect of the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of breach of:
 - a) The Health and Safety at Work Act 1974 or the Health and Safety at Work Act (Northern Ireland) Order 1978 or any regulations made thereunder
 - b) The Food Safety Act 1990 or any regulations made thereunder
 - c) The Consumer Protection Act 1987 or any regulations made thereunder
 - iv) Where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this extension indemnity would have been provided by such other source or insurance
- g) Where **We** have already indemnified **You** in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of and or investigation connected with the corporate manslaughter or corporate homicide under another section of the **Policy** the amount paid under that section will be taken into account in arriving at **Our** liability payable under this extension.

Cross Liabilities Clause

If more than one of **You** is referred to in the **Schedule** each of **You** so named shall be considered as a separate and distinct entity and the word **You** shall be construed as applying to each of **You** in the same manner as if a separate **Policy** had been issued to each.

Provided always that **Our** liability for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed in the aggregate the **Limit of Indemnity** stated in the **Schedule** irrespective of the number of insured parties involved.

Data Protection Act

We will indemnify **You** in respect of liability arising under the Data Protection Act 2018

Provided that:

- a) the process of registration under the above Act has been commenced or completed by **You** and the application has not been refused or withdrawn
- b) no liability arises as a result of the provision by **You** of the services of a computer bureau

We shall not be liable in respect of:

- a) the recording or provision of **Data** for reward or for determining the financial status of any person
- b) any liability which arises as a result of a deliberate act or omission of **You** and which could reasonably have been expected by **You** having regard to the nature and circumstances of such act or omission
- c) fines, penalties, compensation or payments made forming part of enforcement action.

The total of **Our** liability including all costs and expenses in this respect shall not exceed £250,000 during any one **Period of Insurance**, such amount being included within and not additional to the **Limit of Indemnity**.

Defective Premises Act

This Section subject otherwise to the terms of the **Policy** and within the **Limit of Indemnity** extends to indemnify **You** against liability for **Injury** or **Damage** arising solely by reason of Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of any premises previously owned for purposes pertaining to the **Business** and since disposed of by **You** provided that:

- a) this extension shall not indemnify **You** in respect of **Damage** to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect therein
- b) **We** will not be liable under this extension if **You** are entitled to indemnity under any other insurance.

Discharge of Liability Clause

We may pay the **Limit of Indemnity** or any lesser amount for which any claim or claims against **You** can be settled and **We** shall be under no further liability in respect of such claim or claims except for costs or expenses incurred prior to the date of such payment.

Limit of Liability

Our liability for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the **Limit of Indemnity** stated in the **Schedule** irrespective of the number of insured parties involved.

In addition, **We** will pay:

- a) all other defence costs and expenses incurred with **Our** prior written consent
- b) the legal costs and expenses incurred with **Our** written consent for the defence of prosecution brought under Section 36 or 37 of the Health and Safety at Work Act 1974 for any alleged offence as detailed in Section 33(1) (a) (b) or (c) of the Act or under the Health and Safety at Work (Northern Ireland) Order 1978 under Article 31 including legal costs and expenses incurred with **Our** consent in an appeal against conviction arising from such proceedings provided that:
 - i) the proceedings relate to the health, safety and welfare of persons other than **Employees**
 - ii) **We** will not indemnify **You** in respect of:
 - a) fines and penalties
 - b) costs or expenses insured elsewhere

any one **Period of Insurance**, such amount being included within and not additional to the **Limit of Indemnity**.

Pollution

We will indemnify **You** in respect of accidental bodily **Injury** or accidental loss of or **Damage** to property caused solely by **Pollution** which results from a sudden, identifiable, unintended and unexpected incident if that incident takes place in its entirety at a specific and identified time and place during the **Period of Insurance** provided that:

- a) all **Pollution** which arises out of any one incident will be deemed to have occurred at the time that incident takes place
- b) **We** will not indemnify **You** against liability in respect of **Pollution** happening anywhere in the United States of America or Canada or their territories, possessions, dependencies or protectorates; and
- c) nothing in these provisos will increase **Our** liability to pay more than the **Limits of Indemnity** specified in the **Schedule** in total in respect of damages costs fees and expenses awarded against **You** during the **Period of Insurance**

EXCLUSIONS APPLYING TO SECTION 4

We shall not be liable under this Section for:

1. Any liability assumed by **You** by a contract or agreement entered into by **You** and which would not have attached in the absence of such agreement
2. Loss of or **Damage** to:
 - a) property belonging to **You**
 - b) property which is leased, let, rented, hired or lent to or which is the subject of a bailment to **You**
3. **Injury**, loss or **Damage** caused by or in connection with or arising out of the ownership, possession or use by or on behalf of **You** of any:
 - a) aircraft, hovercraft or watercraft
 - b) mechanically propelled vehicle or trailer attached thereto (other than motorised garden implements whilst stored at the **Premises** or being used to maintain the land at the **Premises** described in the **Schedule**) and any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation.
 - c) lift, elevator, hoist, crane, steam boiler or other apparatus operating under pressure, for which a statutory inspection policy is required but not in force at the time of the **Injury**, loss or **Damage**
4. any sums for which **You** are/or becomes liable to pay as a result of any claim(s) made against **You** or for any associated defence costs or expenses of any kind from any liability arising directly or indirectly out of:
 - a) loss or alteration or **Damage** to, and/or
 - b) a reduction in the functionality availability or operation of a **Computer System** or programme, hardware, **Data** information repository, microchip, integrated circuit or similar device in **Computer** equipment or non-**Computer** equipment as a result of **Your** e-activities.

For the purpose of this exclusion, e-activities means any use of electronic networks including the internet and private networks, intranets, extranets, electronic mail, worldwide web and similar medium carried out by **You** or by any person, persons, partnership, firm or company acting for **You** or on **Your** behalf.
5. any sums **You** are/or become liable to pay but for the existence of the Section would be covered elsewhere except in respect of any excess beyond the amount payable under such other insurance had this insurance not been effected.
6. the amount of the **Excess** stated in the **Schedule**

SECTION 5 – EMPLOYERS LIABILITY

COVER

Following an **Insured Event** **We** will indemnify **You** against all sums that **You** shall become legally liable to pay as damages, together with costs and expenses shown below, in respect of **Injury** sustained within the **Territorial Limits** during the **Period of Insurance** by any **Employee** arising out of their employment by **You** in the course of the **Business**.

Limit of Indemnity

Our liability under this Section for damages, costs and expenses payable in respect of any one claim or series of claims against **You** arising out of one event shall not exceed the amount stated in the **Schedule**.

Costs and expenses shall be deemed to mean:

- a) costs and expenses of claimants for which **You** are legally liable
- b) other costs and expenses incurred with **Our** written consent in respect of any claim which may be the subject of indemnity under this Section
- c) solicitors' fees incurred with **Our** written consent for:
 - i) defence in any Court of Summary Jurisdiction of any proceedings brought against **You** in respect of breach or alleged breach of any statutory duty resulting in **Injury**
 - ii) representation at a Coroners Court or Fatal Accident Inquiry in respect of any death which may be the subject of indemnity under this Section
- d) legal costs and expenses incurred with **Our** written consent by **You** and, at **Your** request, any director or **Employee**, and costs awarded against **You** or the director or **Employee** arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the **Period of Insurance** under the Health and Safety at Work Act 1974 or similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man provided that:
 - i) the proceedings relate to the health safety or welfare of **Employees**
 - ii) **We** will not indemnify **You** in respect of:
 1. proceedings consequent upon a deliberate act by or omission by **You**, any director or **Employee**
 2. fines or penalties of any kind or the costs of appeal against improvement or prohibition notices; or
 3. costs and expenses insured by any other policy
- e) legal costs and expenses incurred with **Our** written consent by **You**, and costs awarded against **You** arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of the defence of criminal proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation provided that:
 - i) **Our** liability for all legal costs and expenses payable in any one **Period of Insurance** shall not exceed the sum of £5,000,000 or the **Limit of Indemnity** stated in the **Schedule** whichever is the lesser and will form part of and not be in addition to the **Limit of Indemnity** stated in the **Schedule**;
 - ii) the proceedings relate to an actual or alleged offence committed during the **Period of Insurance** within the **Territorial Limits** and in connection with the **Business**
 - iii) **We** will not indemnify **You** in respect of:
 - a) proceedings which result from any deliberate act or omission by **You**
 - b) any fines or penalties of any kind
 - c) any remedial or publicity orders or any steps required to be taken by such orders
 - d) costs and expenses insured by any other policy.

Additional Persons Insured

- a) In the event of the death of any person entitled to indemnity under this Section **We** will indemnify in the terms of this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person
- b) At **Your** request **We** will indemnify in the terms of this Section:
 - i) any principal in respect of liability arising out of the performance by **You** of any agreement entered into by **You** with the principal to the extent required by such agreement
 - ii) any of **Your** directors or **Employees** in respect of liability arising in connection with the **Business**; provided that **You** would have been entitled to indemnity under this Section if the claim had been made against **You**
 - iii) any officer committee or member of **Your** canteen, sports, social or welfare organisations, fire, security, first aid, medical or ambulance services in their respective capacities as such
 - iv) any of **Your** directors or senior officials in respect of private work undertaken by any **Employee** for such director or senior official provided that:
 - a) each person shall as though he were **You** observe fulfil and be subject to the terms of this Section insofar as they can apply; and
 - b) **We** shall retain the sole conduct and control of all claims.

Compensation for Court Attendance

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

- a) any of **Your** directors or partners £250
- b) any **Employee** £100

Right of Recovery

This Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great Britain Northern Ireland the Channel Islands or the Isle of Man but **You** shall repay to **Us** all sums paid by **Us** which **We** would not have been liable to pay but for the provisions of such law.

Unsatisfied Court Judgements

In the event of **Injury** to an **Employee**, sustained during the **Period of Insurance** and arising out of his employment by **You** in the course of the **Business**, which results in a judgement for damages being obtained by such **Employee**, or his personal representatives, and which remains unsatisfied in whole or in part six months after the date of such judgement, **We** will, at **Your** request, pay to the **Employee** or his personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that:

- a) the judgement for damages is obtained:
 - i) in a court of law within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; and
 - ii) against a company, partnership or individual other than **You**, conducting a business at or from premises within the territories described in i) above
- b) there is no appeal outstanding
- c) the judgement relates to **Injury** which would otherwise be within the terms of the **Policy**; and
- d) if any payment is made under the terms of this clause the **Employee** or the personal representative of the **Employee** shall assign the judgement to **Us**.

SECTION 5 – EMPLOYER’S LIABILITY EXCLUSIONS

We shall not be liable under this Section for:

1. So far as concerns the liability of any principal or liability assumed by **You** under agreement, and which would not have attached in the absence of such agreement, this Section shall not apply to any liability 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; or
 - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
2. Any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation.
3. Any liability arising out of work undertaken or operations located **Offshore**.
4. More than £10,000,000 including Claimant’s Costs, Defence Costs and under all extensions in respect of any one claim or series of claims (regardless of the number of claimants) arising out of one event which falls within the definition of **Terrorism** under this **Policy**.
5. More than £10,000,000 including Claimant’s Costs, Defence Costs and under all extensions in respect of any one claim or series of claims (regardless of the number of claimants) directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising out of the manufacture of, mining of, use of, sale of, installation of, survey or investigation of, management of, removal or distribution of, existence of or exposure to asbestos products, asbestos fibres or asbestos dust or property or materials containing any of the foregoing

POLICY EXCLUSIONS

The following **Policy** Exclusions are applicable to all Sections unless otherwise stated:

General Definitions

The below definitions relate to the exclusions identified in this Section. Please refer to the Standard Policy Definitions for a more exhaustive list of definitions.

Computer System

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

Cyber Act

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

Cyber Incident

The words **Cyber Incident** shall mean:

- 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 unavailability 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, 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 / Damaged

Accidental physical loss, damage or destruction.

Data

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

Data Processing Media

Any property insured by this **Policy** on which **Data** can be stored but not the **Data** itself.

Pollution

- a) Pollution or contamination by naturally occurring or man-made substances, forces and organisms, including, but not limited to:
 - i) any actual, threatened, feared or perceived use of any biological, chemical, radioactive or nuclear agent, material or device, whether or not related in any way to any act of **Terrorism**, and
 - ii) the deposit of or impairment by dust or soot, chemical precipitation, adulteration or impurification, or any combination of them whether permanent or transitory; and
- b) all loss, **Damage** or **Injury** directly or indirectly caused by pollution or contamination as stated in a) above.

Terrorism

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

Asbestos (not applicable to Employers' Liability)

We will not indemnify You against any **Damage** or **Your** legal liability in respect of any loss, cost or expense directly or indirectly arising out of, resulting from or in respect of which a link has been or is established to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or been operative in the sequence of events resulting in a loss

Computer Systems (not applicable to Employers' Liability)

We will not **Indemnify You** against **Your** legal liability arising out of failure of any **Computer System**, whether or not **Your** property, to be date or time compliant including failure of any correction, attempted correction, conversion, renovation, rewriting or replacement of any **Computer System** relating to date or time compliance.

Cyber and Data

1. Notwithstanding any provision to the contrary within this **Policy** or any endorsement thereto, this **Policy** excludes any:
 - i) **Cyber Loss**, unless subject to the provisions of paragraph 2
 - ii) loss, **Damage**, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**, unless subject to the provisions of paragraph 3

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

2. Subject to all the terms, conditions, limitations and exclusions of this **Policy** or any endorsement thereto, this **Policy** covers physical loss or physical **Damage** to property insured under this **Policy** caused by any ensuing fire or explosion which directly results from a **Cyber Incident**, unless that **Cyber Incident** is caused by, contributed to by, resulting from, arising out of or in connection with a **Cyber Act** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act**.
3. Subject to all the terms, conditions, limitations and exclusions of this **Policy** or any endorsement thereto, should **Data Processing Media** owned or operated by **You** suffer physical loss or physical **Damage** insured by this **Policy**, then this **Policy** will cover the cost to repair or replace the **Data Processing Medium** itself plus the costs of copying the **Data** from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the **Data**. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank **Data Processing Media**. However, this **Policy** excludes any amount pertaining to the value of such **Data**, to **You** or any other party, even if such **Data** cannot be recreated, gathered or assembled.
4. In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
5. This exclusion supersedes and, if in conflict with any other wording in the **Policy** or any endorsement thereto having a bearing on **Cyber Loss**, **Data** or **Data Processing Media**, replaces that wording

Date Recognition Exclusion

The insurance by this Policy does not apply to:

Any claim directly or indirectly caused by or contributed to by or arising from the failure of any Computer or other equipment Data processing service product microchip microprocessor integrated circuit embedded chip or similar device Computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000:

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

but this shall not exclude subsequent **Damage** in respect of Section 1 (Buildings) or subsequent interruption with the **Business** in respect of Section 2 (Rental Income) not otherwise excluded which itself results from fire, lightning, explosion, theft, aircraft or other aerial devices or articles dropped from aircraft or other aerial devices, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal, provided such peril is insured by the Section.

Disease (not applicable to Employers' Liability)

We will not indemnify **You** against any **Damage** or **Your** legal liability in respect of any loss, cost or expense caused directly or indirectly by any one or more of the following, whether or not acting in any sequence with any other cause:

Poisoning, disease or illness, epidemic or pandemic, (including in all cases any contagious disease that affects animals) or any limitation or prevention of the use of objects because of hazards or potential hazards to human or animal health.

This exclusion does not apply if such loss or **Damage** arises out of one or more of the following perils:

- a) Fire, lightning, explosion, impact of aircraft
- b) vehicle impact, sonic boom
- c) accidental escape of water from any tank, apparatus or pipe
- d) riot, civil commotion, malicious damage
- e) storm, hail
- f) flood inundation
- g) earthquake
- h) landslide, subsidence
- i) pressure of snow, avalanche
- j) volcanic eruption

Micro-Organism

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

This Exclusion applies regardless whether there is:

- a) any physical loss or **Damage** to **Insured Property**;
- b) any **Defined Peril** or cause whether or not contributing concurrently or in any sequence;
- c) any loss of use occupancy or functionality;
- d) any action required including but not limited to repair, replacement, removal, clean-up, abatement, disposal, relocation or steps taken to address medical or legal concerns or to comply with the advice or orders of any competent public or governmental authority or body.

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

Northern Ireland Overriding Exclusion

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

- i) civil commotion
- ii) any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **Unlawful Association** In any action suit or other proceedings where **We** allege that by reason of the provisions of this exclusion any loss, destruction or **Damage** or consequential loss is not covered by this **Policy** the burden of proving that such loss is covered shall be upon **You**.

Nuclear Energy Risks

We will not indemnify **You** in respect of Nuclear Energy Risks whether such risks are written directly and/or via Pools and/or Associations.

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

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

Pollution (not applicable to Property Owners Liability)

We will not indemnify **You** against loss, **Damage** or expense directly or indirectly caused by or contributed by or arising from **Pollution**.

This exclusion does not apply if such loss or **Damage** arises as a direct and sole consequence of:

- a) fire, lightning, explosion, impact of aircraft
- b) vehicle impact, sonic boom
- c) accidental escape of water from any tank apparatus or pipe
- d) riot, civil commotion, malicious damage
- e) storm, hail
- f) flood, inundation
- g) earthquake
- h) landslide, subsidence
- i) pressure of snow, avalanche
- j) volcanic eruption

Radioactivity (not applicable to Employers' Liability)

We will not indemnify **You** against loss, **Damage**, expense or **Your** legal liability directly or indirectly caused by or contributed by or arising from:

- a) ionising radiation 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 or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- e) any chemical, biological, bio-chemical, or electromagnetic weapon.

Sonic Bangs Exclusion

The insurance under this **Policy** does not cover **Damage** caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

Terrorism (not applicable to Employers' Liability)

We will not indemnify **You** against loss, **Damage**, cost, or expense or **Your** legal liability directly or indirectly caused by or arising out of **Terrorism** or any loss, **Damage**, costs or expenses directly or indirectly caused by or arising out of any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence of the loss.

If **We** allege that by reason of this exclusion, any loss, **Damage**, cost or expense or liability is not covered by this **Policy**, the burden of proving the contrary shall be upon **You**. In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect

War

We will not indemnify **You** against any **Damage** or **Your** legal liability in respect of any loss, cost or expense directly or indirectly caused by, happening through or following war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or confiscation or nationalisation or requisition or destruction of or **Damage** to property by or under the order of any government or public or local authority.

POLICY CONDITIONS

The following **Policy** Conditions are applicable to all Sections unless otherwise stated:

Arbitration

If any difference shall arise as to the amounts to be paid under this **Policy** (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against **Us**.

Asbestos

This **Policy** only insures asbestos physically incorporated in an insured **Building** or structure, and then only provides indemnity in respect of that part of the asbestos which has been physically **Damaged** during the **Period of Insurance** by one of these **Defined Perils**:

Fire, lightning, explosion or aircraft (**Listed Perils**)

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

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

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

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

- i) wear and tear or inherent defect, quality or vice in or of any asbestos
- ii) any compliance with or breach of any legal or other duty or obligation (including without limitation any duty arising from any contract or statute, or any instruction, request or order of any court or governmental or regulatory authority) of any person in connection with the design manufacture installation use retention treatment management repair replacement or removal of any asbestos (**Damaged** or otherwise) or
- iii) any asbestos which the **Listed Peril** has not physically **Damaged**.

Cancellation

Your Rights

- a) during the cooling off period

You have the right to cancel **Your Policy** during a period of 14 days either from the day:

- i) of purchase of the contract; or
- ii) on which **You** receive **Your Policy** documentation

whichever is the later

When giving **Your** instructions to cancel **You** must return **Your Policy** documentation to **Your** insurance broker.

You will be entitled to a full refund of the premium paid (including any fee) plus the prevailing rate of Insurance Premium Tax (stated on **Your Schedule**)

We will not refund any part of the premium if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**

- b) outside the cooling off period

You may cancel this **Policy** at any time by giving written notice to **Your** insurance broker or to **Us**.

You will be entitled to a refund of the premium paid in respect of the exact number of days left of the **Period of Insurance**.

We will not refund any part of the premium if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**

Our Rights

We have the right to cancel **Your Policy** where there is a valid reason for doing so.

Your Policy may be cancelled by **Us**, giving **You** 14 days' notice of cancellation in writing and sent by recorded delivery to **Your** last known address. The letter will explain **Our** reason for cancellation.

Valid reasons for cancellation may include but are not limited to:

- a) not paying a premium when it is due
- b) defaulting in the payment of any instalment in which case this Insurance shall cease from the date of non-payment.

Any outstanding monies owed to **Us** must be paid.

- c) not taking all reasonable precautions to prevent or minimise **Damage** or **Injury** as required by **General Obligations – Reasonable Precautions to Your Policy** and failing to put this right when **We** request it
- d) the use by **You** of threatening or abusive behaviour or language or intimidation or bullying of **Our** staff or suppliers

Where **We** exercise this Condition, **You** will be entitled to a return of premium in respect of the exact number of days left of the **Period of Insurance**

We will not refund any part of the premium if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**

Claims – Your Duties

Upon discovery of an event that may give rise to a claim **You** must comply with the reporting period set out in Page 9 of this **Policy** and:

- a) General - applicable to all Sections:
 - i) take all practicable steps to recover property lost and otherwise minimise the claim
 - ii) inform the Police immediately and **Us** within 14 days if the **Damage** is caused by thieves, malicious persons or vandals or by riot, civil commotion, strikes or labour disturbances
 - iii) give all information and assistance that **We** may require in a timely manner

- b) Applicable to Section 1 - **Buildings**:

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

If any **Property** by Section 1 is to be reinstated or replaced by **Us**, **You** shall at **Your** own expense provide all such plans documents books and information as may be reasonably required.

In certain circumstances **We** may require sight of freehold title or the lease which must be provided by **You** within 30 days of any such a request.

No claim under this Section shall be payable unless the terms of this condition have been complied with.

- c) Applicable to Section 2 - **Rental Income**

- i) within 14 days after the expiry of the **Indemnity Period** or within such further time as **We** may in writing allow at **Your** own expense deliver to **Us** a statement setting out particulars of the claim together with details of all other insurances covering any part of the **Damage** or resulting loss of rental income
- ii) **You** shall at **Your** own expense also provide **Us** with such books of account and other business books, vouchers, invoices, balance sheets, and other documents, proofs, information, explanations and other evidence as may reasonably be required by **Us** for the purpose of investigating or verifying such claim together with (if demanded) a statutory declaration of the truth of the claim and of any related matter.

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

- d) Applicable to Section 4 – **Property Owners Liability** and Section 5 – **Employers Liability**

- i) not make or allow to be made on **Your** behalf any admission offer promise payment or indemnity without **Our** written consent
- ii) immediately forward to **Us** every letter claim writ summons and process immediately upon receipt without acknowledgement
- iii) advise **Us** in writing immediately **You** have any knowledge of any impending prosecution inquest Fatal Accident or Ministry Enquiry

Claims – Our Rights

- a) On the happening of **Damage** in respect of which a claim is made **We** may without thereby incurring any liability or diminishing any of **Our** rights under this **Policy** enter take or keep possession of the **Premises** where such **Damage** has occurred and take possession of or require to be delivered to **Us** any property and deal with such property for all reasonable purposes and in any reasonable manner
No property may be abandoned to **Us** whether taken possession by **Us** or not.
- b) **We** shall have full discretion in the conduct of any proceedings and in the settlement of any claim where **We** have agreed to provide indemnity under this **Policy**, or
- c) in the event the amount of claim is reduced under the Claims & Remedy Condition:
 - i) **We** shall retain **Our** sole rights to conduct the claim including **Your** proportion, but all defence costs shall be met by **Us**, or
 - ii) **You** may elect to conduct **Your** proportion of the claim and shall be responsible for **Your** own costs

Contracts (Rights of Third Parties) Act

The parties to this contract do not intend that any clause or term of this contract should be enforceable by virtue of the Contracts (Right of Third Parties) Act 1999 by any person who is not a party to this contract.

E.U. Disclosure Clause

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

Fraud

If **You** and anyone acting on **Your** behalf:

- a) knowingly makes a fraudulent or exaggerated claim under the **Policy**
- b) knowingly makes a false statement in support of a claim under the **Policy** (whether or not the claim itself is genuine); or
- c) knowingly submit a false or forged document in support of a claim under the **Policy** (whether or not the claim itself is genuine)

We will:

- i) refuse to pay the whole claim; and
- ii) recover from **You** any sums that **We** have already paid in respect of the claim.

We may also notify **You** that **We** will be treating the **Policy** as having terminated with effect from the date of the earliest of any of the acts set out in sub-clauses (a) to (c) above. In that event, **You** will:

1. have no cover under the **Policy** from the date of the termination; and
2. not be entitled to any refund of premium

Subrogation

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

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

POLICY DEFINITIONS

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

Annual Gross Rentals

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

Building(s)

The building(s) situated at the address(es) specified in the **Schedule** which include:

- a) landlord's fixtures and fittings
- b) annexes, gangways, outbuildings and extensions tenants improvements for which the landlord is responsible under the terms of the lease or other agreement under which the property is let
- c) outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture
- d) walls, gates and fences
- e) drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the **Premises** and extending to the public mains, but only to the extent of **Your** responsibility
- f) yards, car parks, roads and pavements, forecourts, all constructed of solid materials
- g) landscaping, excluding external ponds and lakes

all belonging to **You** or for which **You** are legally responsible.

Building Works

Any works that include removal or alteration of load bearing walls, construction of new buildings and extensions, underpinning, demolition, re-roofing, and installation of cavity wall insulation.

Business

Your ownership of the **Premises** including **Your** maintenance and security of the **Premises**

Contents of Communal Parts

Fitted carpets, fixed glass or polycarbonate substitute in windows, doors, fanlights, skylights partitions and fixed sanitary ware

Damage(d)

Accidental physical loss, damage or destruction.

Defined Peril

The words **Defined Peril** shall mean:

- a) fire, but excluding any **Damage** to the **Property Insured** caused by:
 - i) explosion resulting from fire
 - ii) earthquake or subterranean fire
 - iii) its own spontaneous fermentation or heating
 - iv) its undergoing any heating process or any process involving the application of heat,
- b) lightning
- c) explosion but excluding any **Damage** caused by or consisting of the bursting of a boiler or other vessel machine or apparatus used for non-domestic purposes where internal pressure is due to steam only belonging to or under **Your** control
- d) aircraft or other aerial devices or articles dropped therefrom
- e) riot, violent disorder, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons excluding **Damage**:
 - i) arising from confiscation, requisition or destruction by order of the government or any public authority
 - ii) arising from cessation of work
- f) theft or attempted theft

- g) earthquake
- h) storm excluding:
 - i) **Damage** by flood whether resulting from storm or otherwise
 - ii) **Damage** attributable solely to a change in the water table level
- i) flood excluding **Damage** attributable solely to a change in the water table level
- j) overflowing, discharge or leaking of any sprinkler apparatus
- k) escape of water from any tank, apparatus or pipe
- l) impact by any road vehicle (including goods falling from them) or animal not belonging to **You** or under **Your** control,
- m) falling trees, branches and falling aerials
- n) leakage of oil from any fixed heating installation

Employee(s)

Any person under a contract of service or apprenticeship with **You** including:

- a) Any person who is hired to or borrowed by **You**
- b) Any person engaged in connection with a work experience or training scheme
- c) Any labour master retained by **You** or person supplied by him
- d) Any person engaged by **Your** labour only subcontractors
- e) Any self-employed person working on a labour only basis under **Your** control or supervision
- f) Any voluntary helper

all while working for **You** in connection with the **Business**

Excess

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

Glass

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

Gross Rentals

The money paid or payable to **You** for tenancies and associated income derived from the letting of the **Premises**.

Indemnity Period

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

Injury

Bodily injury, death, illness or nervous shock.

Insured(s)/You/Your

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

Insured Event

A claim **You** have made under a section of this **Policy** for which **We** have agreed to provide indemnity.

Landlords Contents

Furniture, fitted carpets, domestic appliances and fixtures belonging to **You** as owner or for which **You** are responsible whilst contained in the **Buildings** by this section excluding:

- a) Any item falling under the definition of **Building(s)**
- b) **Contents of Communal Parts**
- c) Personal Possessions
- d) Stock and materials in trade
- e) Building materials
- f) **Property** more specifically insured

Unless otherwise specifically agreed in writing by **Us**.

Offshore

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or any offshore platform.

Outstanding Debit Balances

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

Period of Insurance

The period of insurance specified in the **Schedule**

Policy

The entirety of the Policy, the **Schedule** and/or any endorsements or amendments (whether or not such endorsements or amendments are agreed prior to the Policy of insurance coming into force or at any time thereafter). All references to the terms, conditions and exclusions of the Policy shall be construed as referring to the entire Policy

Premises

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

Property Insured

The **Buildings** and **Landlords Contents** at the **Premises**, if and to the extent they are included in the **Schedule**.

Proposal

The Proposal Form, Statement of Fact, Declaration, Risk Presentation and any information supplied to **Us** by **You** or on **Your** behalf.

Q Underwriting Services Ltd

The company who have been authorised by Great Lakes Insurance SE to transact insurance business on their behalf. Q Underwriting Services Limited are authorised and regulated by the Financial Conduct Authority, their Firm Reference Number is 657367

Renovation(s)

Internal painting and decorating, tiling, replacement of bathroom and/or kitchen fixtures and fittings including sinks, wash basin, w.c, bath and shower, carpeting, internal joinery, plastering, rewiring, installation/repair of central heating and external window replacement but excluding:

- i) **Building Works**, and
- ii) **Renovation** forming part of a **Building Works** contract or project.

Rental Income

The money paid or payable to **You** for tenancies and associated income derived from the letting of blocks of flats or private dwelling houses, or the parts of Premises occupied as flats or private dwelling houses.

Schedule(s)

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

Standard Gross Rentals

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

Sum Insured/Limit of Indemnity

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

Territorial Limits

Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Terrorism

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

Unoccupied

When the **Premises** (or any part thereof) are closed for trade, untenanted or not resided at for a period in excess of thirty consecutive days

Underwriters/We/Us/Our

Great Lakes Insurance SE

COMPLAINTS PROCEDURE

How to Complain

Our aim is to provide all our customers with a first-class standard of service. However, there may be occasions when you feel this objective has not been achieved. If you have a complaint about your policy or the handling of a claim, the details below set out some of the key steps that you can take to address your concerns.

Where do I start?

If your complaint is about the way in which the policy was sold to you or whether it meets your requirements, you should contact the insurance broker who arranged the policy for you.

If your complaint is about a claim, you should refer the matter to MPL Claims Management Ltd. Their contact details are provided below.

MPL Claims Management Ltd,
The Octagon
27 Middleborough
Colchester
CO1 1TG
Telephone: 0345 060 0014
Email: qunderwriting@mplclaims.com

Alternatively, you can ask your broker to refer the matter on for you.

Please quote your policy number in all correspondence so that your concerns may be dealt with speedily

What happens next?

If your complaint is not able to be resolved satisfactorily by close of business on the third working day following receipt, your complaint will be referred to the Complaints Manager for Ergo UK Specialty Ltd, who will send you an acknowledgement letter.

If you don't receive any acknowledgement letter, or at any time if you wish to do so, you may contact the Complaints Manager yourself by using any of the below contact details:

Complaints Manager
Ergo UK Specialty Ltd
10 Fenchurch Avenue,
London,
EC3M 5BN.
Email: complaints@ergo-commercial.co.uk

The Complaints Manager will investigate your complaint and will provide you with a written response within eight weeks of your initial complaint. This will either be a final response or a letter informing you that we need more time for our investigation.

If you remain unhappy

If we have not resolved your complaint at the end of eight weeks, or if after receiving our final response you remain dissatisfied, you may be able to refer your complaint to the Financial Ombudsman Service (contact details below). You will have six months from the date of the final response to make this referral.

Your rights as a customer to take legal action are not affected by the existence or use of the complaints procedure mentioned above. However, the Financial Ombudsman Service may not adjudicate on a case where court proceedings are actively in progress.

The Financial Ombudsman Service
Exchange Tower
London
E14 9GE
Telephone: 0800 0234 567

Further information is available from them and you may refer a complaint to them online at **www.financial-ombudsman.org.uk**

The Ombudsman will review complaints from eligible complainants. An eligible complainant is defined as:

1. a private individual;
2. a business which has a group annual turnover of less than £6.5m and either -
 - a) fewer than 50 staffOR
 - b) an annual balance sheet total of less than £5mat the time the complainant refers the complaint to the respondent;
3. a charity which has an annual income of less than £6.5m at the time the complainant refers the complaint to the respondent; or
4. a trustee of a trust which has a net asset value of less than £5m at the time the complainant refers the complaint to the respondent.

AUTHORISATION & REGULATION

Great Lakes Insurance SE is a German insurance company

With headquarters at Königinstraße 107, 80802 Munich Germany

Great Lakes Insurance SE is authorised by the Bundesanstalt für Finanzdienstleistungsaufsicht.

Deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.

Q Underwriting Services Limited (acting in an underwriting capacity on behalf of Great Lakes Insurance SE under Agreement No. REUKG2100581)

Registered in the United Kingdom. Registered No. 08946569

Registered office: Rossington's Business Park, West Carr Road, Retford, Nottinghamshire, DN22 7SW.

Q Underwriting Services Limited is part of PIB Group.

Financial Services Compensation Scheme (FSCS)

Great Lakes Insurance SE is covered by the FSCS. You may be entitled to compensation from the scheme in the unlikely event they cannot meet its obligations. Further information about the compensation scheme arrangements is available from the **FSCS www.fscs.org.uk**.

PRIVACY NOTICE

Privacy Notice – PIB GROUP Limited

This Privacy Notice provides details of the personal data we collect from you, what we do with it, how you might access it and who it might be shared with.

Our Contact Information and Data Protection Officer

The specific company acting as a data controller of your personal information will be listed in the documentation we provide to you. The company is a subsidiary of PIB Group Limited.

Our Data Protection Officer can be contacted directly here:

Data Protection Officer
PIB Group Limited
1 Minster Court
Mincing Lane
London, EC3R 7AA
Telephone: 0330 058 9700
Email: dpo@pib-insurance.com

What we do with your personal data

We use the personal data you give to us to provide insurance policies and to process claims.

We may use your personal data for other similar purposes, including marketing and communications, but that will only occur if we have your consent or where, as a current or previous user of our services, we rely on a legitimate interest justification for doing so. You have a right at any time to stop us from contacting you for marketing purposes. Please contact us to do so - see above.

The way insurance works means that your information may be shared with, and used by, a number of third parties in the insurance or risk sector; for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, specific service providers, claim management companies, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. We will only disclose your personal information in connection with the insurance cover that we provide and to the extent required or permitted by law.

More information on how the Insurance market works is available from the London Insurance Market Core Uses Information Notice available at <https://www.pibgroup.co.uk/core-uses>

What personal data do we collect?

We collect and use relevant information about you to provide you with insurance cover and to meet our legal obligations.

This information includes details such as your name, address and contact details and any other information that we collect about you in connection with the insurance cover from which you benefit.

Special categories of personal data such as data about your health and criminal convictions may be collected and processed on a consent or public interest basis if this is necessary for insurance purposes.

If you provide us with personal data about other people, for example; family members you wish to add to a policy or contract, we expect you to ensure that they know you are doing so and they are content with their information being provided to us.

We may record or monitor calls for training purposes, to improve the quality of our service and to prevent and detect fraud.

How do we look after personal data?

We restrict, secure and control all of our systems. We retain personal data only for as long as is necessary to undertake the contracts and to respond to your requests, or longer if required by law.

How can you access your personal data?

You have the right to request access to any of your personal data we may hold. If any of that information is incorrect, you can request that we change it. If we are not using your information correctly, you can request that we stop using it or that we delete it completely.

If you would like to make a request to see what personal data of yours we hold, you may make a request to our Data Protection Officer using the details above.

Where we have asked for your consent to use your personal data, you have the right to withdraw that consent at any time. If you withdraw your consent, we will stop using your personal data where legally possible. Any processing undertaken before your withdrawal remains valid and lawful.

Our Supervisory Authority

You have the right to lodge a complaint with the Information Commissioner's Office (ICO), contact details below:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF
Telephone: 0303 123 1113
Web: <https://ico.org.uk/>

