

Select

# Property Owners

Policy

Allianz Insurance plc | Commercial

Allianz 

# Schedule of Clauses

Allianz Insurance plc | Commercial



<b>Policy Number:</b>	26/SP/11073306/06
<b>Insured:</b>	Individual Landlord Clients of Alan Boswell Insurance Brokers Ltd details of whom have been lodged with Allianz Insurance plc.
<b>Postal Address:</b>	Harbour House 126 Thorpe Road Norwich NR1 1RJ
<b>Agent:</b>	Alan Boswell Insurance Brokers Ltd

This schedule of clauses forms part of the Policy and should be read in conjunction with it.

## Clauses applicable to the whole policy:

### S/1/1 Deletion of Legal Expenses Insurance

The Legal Expenses Section of this Policy is inoperative.

### S/2/1 Cancellation Rights

The cancellation condition below replaces General Condition 4.Cancellation in your policy.

#### Your Cancellation Rights

You have a right to cancel the cover within fourteen (14) days of the date you receive the policy documents or the inception date of the policy whichever is the later or within fourteen (14) days of the date you receive the renewal documentation or the renewal date of the policy whichever is the later (referred to as the “cooling off” period). You should exercise the right by contacting your insurance advisor or by writing to the Allianz office which issued the policy documents or renewal documentation.

If you exercise your right to cancel during the cooling off period, you will be entitled to a return of the premium paid unless a claim has been made which leads to the contract of insurance being fully completed. Any return of premium will be calculated on a proportionate basis, less £25 to cover our operational costs. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If you do not exercise your right to cancel during this cooling off period, the policy premium becomes due, you may not be entitled to a refund of premium and the policy may run for its full term.

If the cooling off period has expired, you may cancel the policy during the period of insurance by giving fourteen (14) days notice in writing to the Allianz office which issued the policy documents or renewal documentation, or in writing to your insurance adviser. Provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current period of insurance you will be entitled to a proportionate return of the premium paid less £25 to cover our operational costs. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

In the event of cancellation you must return to us any current Certificate(s) of Employer’s Liability Insurance that has been issued to you.

## Our Cancellation Rights

We may cancel this policy by giving you fourteen (14) days notice in writing sent to your last known address. You will be entitled to a proportionate return of the premium in respect of the unexpired period of insurance. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the premium for the policy is paid by instalments, please refer to the instalment agreement for details of the cancellation procedure that will apply.

In the event of cancellation you must return to us any current Certificate(s) of Employer's Liability Insurance that has been issued to you.

## Clauses applicable to Liability Sections

### Z/417/1 Employers Liability – Terrorism Inner Limit of Indemnity

The **Limit of Indemnity** shall not exceed £5,000,000 in respect of an act of **Terrorism**.

For the purposes of this limitation the **Definition** of an act of **Terrorism** is:

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

If the Insurer alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured.

### Z/419/1 Public/Products Liability – Terrorism Limit of Indemnity

In respect of an act of **Terrorism** the **Limit of Indemnity** shall not exceed the limit of indemnity shown in the Schedule or £5,000,000 (whichever is the less). For the purposes of this limitation the **Definition** of an act of **Terrorism** is:

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

If the Insurer alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured.

## Clauses applicable to the Property Damage All Risks Section:

### Index Linking Deletion

The Insured having decided not to accept the Index Linking option Basis of Settlement Adjustments Clause 1 Index Linking is deleted.

### S/7/1 Buildings Definition

The Definition of Buildings shall include carpets, curtains, cookers, washing machines, tumble dryers, washer dryers, fridges, fridge freezers, microwave cookers and dishwashers.

### S/8/1 Alternative Residential Accommodation

Under Clause 26 the Insurer will not pay for such costs in excess of 10% of the Sum Insured applying to the Premises or to the parts of the Premises Damaged.

### S/9/1 Unoccupied Premises

The following exclusion is added to Cover exclusion 6 of this section of your policy:

The Insurer will not pay for loss or destruction or damage in respect of any Unoccupied buildings or the Contents thereof, arising from theft or attempted theft, glass breakage, or accidental damage where such Building has been Unoccupied for a period exceeding:-

- a 30 days for properties situated in Area 2
- b 90 days for properties situated in Area 1

Areas 1 & 2 refer to a postcode listing supplied by the Insurer to Alan Boswell Insurance Brokers Ltd.

### **S/10/1 Excess Amendment**

The Excess referred to in the Policy Schedule is increased to £500 in respect of any claim arising from theft or attempted theft, malicious persons or glass breakage, in respect of Damage occurring to properties situated within Area 2.

Area 2 refers to a postcode listing supplied by the Insurer to Alan Boswell Insurance Brokers Ltd.

### **S/11/1 Damage by Residents**

The following exclusion is added to this section of your policy:

The Insurer shall not pay the first £1,000 of Damage caused by any resident when such Damage is proven to have been carried out maliciously.

### **S/12/1 Unoccupancy Clause Amendment**

Section Condition 3. Unoccupied Premises sub section ii. is amended to read:-

drain down all water systems except those connected to automatic sprinkler installations

- a** during the period October to March inclusive
- b** during the period April to September inclusive

where the period of Unoccupancy exceeds 30 days.

### **S/13/1 Cover Exclusion 6 Amendment**

Cover exclusion 6 is amended to read:

- 6** Damage in respect of any building which is Unoccupied caused by
  - a** freezing, or escape of water from any tank, apparatus or pipe, but the Insurer will pay for such Damage caused during the first 30 days of any period of unoccupancy except for the first £500 of each and every claim
  - b** malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Damage
    - A** caused by fire or explosion
    - B** in respect of residential properties only, caused during the first 30 days of any period of unoccupancy except for the first £500 of each and every claim.

### **S/14/1 General Interest**

The following exclusion is added to this section of your policy:

The Insurer agrees to note the interest of any party notifying their interest in writing to the Insurer, the nature and extent of such interest to be disclosed in the event of Damage.

## **Clauses applicable to the Loss of Rent Section:**

### **S/15/1 Residential Properties**

The Insurers liability under this Section in respect of Loss of Rent of Residential Properties shall be restricted to a maximum of 20% of the Buildings Sum Insured in respect of such property.

### **S/ 16 /1 Damage by Residents**

The following exclusion is added to this section of your policy:

Cover specifically excludes Loss of Rent in consequence of Damage caused by any resident when such Damage is proven to have been carried out maliciously

### **S/ 17 / 1 Cover Exclusion 9 Amendment**

Cover exclusion 9 is amended to read:

Damage in respect of any building which is Unoccupied caused by

- a** freezing, or escape of water from any tank, apparatus or pipe, but the Insurer will pay for such Damage caused during the first 30 days of any period of unoccupancy
- b** malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Damage
  - a** caused by fire or explosion
  - b** in respect of residential properties only, caused during the first 30 days of any period of unoccupancy.

Allianz Insurance plc. Registered in England number 84638  
Registered office. 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.

Allianz Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.  
Allianz Insurance is authorised and regulated by the Financial Services Authority. Our registration number is 121849.  
This can be checked by visiting the FSA website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234

[www.allianz.co.uk](http://www.allianz.co.uk)



# Contents

Helplines	2
General Definitions	3
General Exclusions	4
General Conditions	6
Property Damage All Risks	8
Loss of Rent	20
Employers' Liability	28
Property Owners Liability	31
Legal Expenses Insurance	37
Data Protection Act	44

Thank you for choosing Allianz Insurance. We are one of the largest general insurers in the UK and part of the Allianz Group, one of the world's foremost financial services providers.

With Allianz Insurance, you can be confident that you're insured by a company which is relentless in its commitment to protecting and serving you. You can trust us to insure your business, as we've been providing leading insurance solutions in the UK for over 100 years.

We work in partnership with your insurance adviser to ensure you receive the highest levels of product and service excellence. Our technical experts understand how best to protect you against the risks your business faces. You don't have to take our word for it. Allianz Insurance has won many industry accolades including General Insurer of the Year in 2004 and 2005.

If you need to make a claim you will be in safe hands. Our professionally trained staff aim to treat you, as you would expect, both promptly and fairly. By listening to you, and understanding your needs we will provide you with the most appropriate solutions to get your business trading again as quickly as possible.

Should you need further details or have any questions your insurance adviser will be delighted to help.

# Introduction and Insuring Clause

## Introduction

Your Property Owners Select Policy is made up of several parts, which must be read together as they form your contract. Please take time to read all parts of the Policy to make sure they meet your needs and that you understand the terms, exclusions and conditions. If you wish to change anything or if there is anything you do not understand, please let your insurance adviser or the Allianz office that issued your Policy know - adjustments are easily made and we will be pleased to help.

The parts of the Policy are:

- this Introduction; the General Definitions; the Insuring Clause; the General Exclusions and the General Conditions, all of which apply to all Sections of the Policy
- the Sections of cover selected by you, including the Section Conditions and Special Conditions which apply to the Section
- the Schedule, which includes all Clauses applied to the Policy while the Policy is in force.

Any word or expression, which has a specific meaning, has the same meaning wherever it appears in the Policy.

## Complaints Procedure

Our aim is to get it right, first time every time. If we make a mistake we will try to put it right promptly.

We will always confirm to you the receipt of your complaint within five working days and do our best to resolve the problem within 4 weeks. If we cannot we will let you know when an answer may be expected.

If we have not resolved the situation within eight weeks we will provide you with information about the Financial Ombudsman Service.

Should you wish to make a complaint then it should be directed to the Customer Satisfaction Manager at the Allianz location shown in your policy documentation or alternatively contact the Customer Satisfaction Manager at:

### Allianz Insurance plc

57 Ladymead  
Guildford  
Surrey, GU1 1DB  
Tel: 01483 552438

Using our complaints procedure or referral to the Financial Ombudsman Service does not affect your legal rights.

## Financial Services Compensation Scheme

Allianz contributes to the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation for the FSCS if we are unable to meet our liabilities. For compulsory insurance you may be entitled to compensation up to 100% of the claim. For all other types of insurance you may be entitled to compensation of up to £2,000 for the first part of the claim and 90% of the remainder of the claim. Further information about compensation scheme arrangements is available from the FSCS.

## Insuring Clause

The proposal or any information supplied by or on behalf of the Insured forms the basis of this contract between the Insured and the Insurer.

In consideration of payment of the premium the Insurer will indemnify or otherwise compensate the Insured against loss, destruction, damage, injury or liability (as described in and subject to the terms, conditions, limits and exclusions of this Policy or any Section of this Policy) occurring or arising in connection with the Business during the Period of Insurance or any subsequent period for which the Insurer agrees to accept a renewal premium.

For the Company



Andrew Torrance  
Chief Executive

# Helplines

With this policy you gain access to the following help lines

## 24 hour Glass Replacement

Broken glass is dangerous for both you and your tenants and in some circumstances can be a security risk. Allianz have negotiated a special arrangement with Solaglas one of Britain's leading glass replacement specialists.

Solaglas will bill us direct, you pay nothing except for the excess and the VAT.

This helpline is available to both you and your tenants.

This service is available 24 hours a day, all year round. To use this service telephone FREE on 0800 474747 and state your policy number.

## Legal Advice Call – 24 hour legal advice helpline

To provide you with access to a team of qualified Legal Consultants for free advice on any of your company's legal matters.

While this policy is in force this advice line may be used as often as necessary.

This service is available 24 hours a day, all year round.

To use this service telephone **free** on number 0870 2414140 and state your policy number.

# General Definitions

The following definitions apply to this Policy, unless amended by Section Definitions.

## Policy

The document described in the Introduction

## Section/Sections

The parts of this Policy that detail the insurance cover provided for each individual Section of this Policy

## Schedule

The part of this Policy that details proposal and other information forming the basis of this contract and that shows the Sections of this Policy selected

## Insurer

Allianz Insurance plc

## Insured

The Insured named and shown in the Schedule

## Period of Insurance

The period from the Effective Date to the Renewal Date as shown in the Schedule

## Business

The Business Description stated in the Schedule

## Sum Insured

The maximum amount the Insurer will pay for each item insured under any Section

## Total Sum Insured

The total amount payable by the Insurer under any Section

## Excess (not applicable to the Employers Liability Section)

The first part of each and every claim, for which the Insured is responsible

# General Exclusions

This Policy does not cover

## 1 Radioactive Contamination

Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- i ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- ii the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

## 2 War

(not applicable to the Employers' Liability Section)  
Loss, destruction, damage, death, injury, disablement or liability or any consequential loss occasioned by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

## 3 Terrorism

(Not applicable to the Employers Liability, Property Owners Liability or Terrorism (when insured as a separate section) Sections).

- a in respect of England, Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987, loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with
  - i any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such Act of Terrorism
  - ii any action taken in controlling, preventing or suppressing any Act of Terrorism, or in any other way related to such Act of Terrorism

In respect of a. above an Act of Terrorism (Terrorism) means:

Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's government in the United Kingdom or any government de jure or de facto

- b in respect of territories other than those stated in a above, loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with
  - i any act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such act of Terrorism
  - ii any action taken controlling, preventing or suppressing any act of Terrorism, or in any other way related to such act of Terrorism

In respect of b above an act of 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 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

In any action, suit or other proceedings where the Insurer alleges that by reason of this exclusion any loss or destruction or damage or any consequential loss is not covered (or is covered only up to a specified limit of liability), the burden of proving to the contrary shall be upon the Insured.

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

## 4 E.Risks

(Not applicable to the Employers Liability or Property Owners Liability Sections).

- a loss or destruction of or any damage to any Computer Equipment (as defined below) consisting of or caused directly or indirectly by:
  - i programming or operator error whether by the Insured or any other person
  - ii Virus or Similar Mechanism (as defined below)
  - iii Hacking (as defined below)
  - iv malicious persons
  - v failure of external networks

unless, in respect of i, ii, or iii above, such loss or destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- b** any financial loss or expense of whatsoever nature, including but not limited to business interruption resulting directly or indirectly from the type of loss or destruction or damage described in paragraph a. of this Exclusion

unless, in respect of **a, i, ii, or iii** above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- c** loss or destruction of or damage to any property other than Computer Equipment where it arises directly or indirectly out of loss or destruction of or damage to any Computer Equipment of the type described in paragraph a. of this Exclusion

unless, in respect of loss or damage to other property arising from **a, i, ii, or iii** above, resulting from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- d** loss or destruction of or damage either to Computer Equipment or any other property where it consists of or arises directly out of:
  - i** the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions, or malicious persons
  - ii** the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software due to any cause not included in d.i above
  - iii** any misinterpretation, use or misuse of information on computer systems or other records, programs or software

unless, in respect of d.ii and iii. above, such loss, destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- e** any financial loss or expense of whatsoever nature, including but not limited to business interruption, where it arises directly or indirectly from the type of loss or destruction or damage described in paragraphs c. and d of this Exclusion

unless, in respect of **c, d, ii and iii** above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

For the purpose of this Exclusion:

### Computer Equipment

means computer equipment, component, system or item which processes, stores, transmits, or retrieves data, or any part thereof, whether the property of the Insured or not, whether tangible or intangible and including without limitation any information, programs or software.

### Virus or Similar Mechanism

means any program code, programming instruction or other 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), including but not limited to 'Trojan Horses', 'Worms' or 'Logic Bombs'.

### Hacking

means unauthorised access to any computer or computer equipment, component, system or item, whether the property of the Insured or not, which processes, stores, transmits or retrieves data.

# General Conditions

## 1 Policy Voidable

This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure of any material particular.

## 2 Reasonable Precautions

The Insured shall take all reasonable precautions to prevent accidents and any injury, loss, destruction or damage and shall take all reasonable steps to observe and comply with statutory or local authority laws, obligations and requirements.

## 3 Claims

The Insured shall in the event of any injury, loss, destruction, damage or consequential loss as a result of which a claim is or may be made under this Policy or any Section of this Policy, and again upon receipt by the Insured in writing of any notice of any claim or legal proceeding,

- a notify the Insurer as soon as reasonably possible
- b pass immediately, and unacknowledged, any letter of claim to the Insurer
- c notify the Insurer immediately upon being advised of any prosecution, inquest or enquiry connected with any injury, loss, destruction, damage or consequential loss, which may form the subject of a claim under this Policy
- d notify the police as soon as it becomes evident that any loss, destruction or damage has been caused by theft or malicious persons
- e carry out and permit to be taken any action, which may be reasonably practicable to prevent further loss, destruction, damage or consequential loss
- f retain unaltered and unrepaired anything in any way connected with the injury, loss, destruction, damage or consequential loss for as long as the Insurer may reasonably require
- g furnish with all reasonable despatch at the Insured's expense such further particulars and information as the Insurer may reasonably require
- h make available at the Insured's expense any documents required by the Insurer with regard to any letter of claim

- i not pay or offer or agree to pay any money or make any admission of liability without the previous consent of the Insurer

allow the Insurer in the name of and on behalf of the Insured to take over and, during such periods as the Insurer thinks proper, to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and the settlement thereof and co-operate fully with the Insurer for that purpose.

No claim under this Policy shall be payable unless the terms of this General Condition have been complied with and any payment on account of a claim already made shall be repaid to the Insurer.

## 4 Cancellation

The Insurer may cancel this Policy by giving the Insured thirty (30) days' notice at their last known address. Provided the premium has been paid in full and no claim has been made during the Period of Insurance the Insured shall be entitled to a proportionate rebate of premium in respect of the unexpired period of the insurance. For cancellation following default in payment of the premium or any agreed instalment the period of notice may be reduced to seven (7) days.

## 5 Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or anyone acting on behalf of the Insured to obtain any benefit under this Policy, or if any injury, loss, destruction or damage is caused by the wilful act or the connivance of the Insured, all benefit under this Policy shall be forfeited.

## 6 Discharge of Liability

(Not applicable to the Employers' Liability Section)

The Insurer may absolve itself from any further liability in connection with any occurrence or all occurrences of a series consequent on or attributable to one source or original cause by the payment of the specified limit of liability in respect thereof (after deducting therefrom any sums already paid) or by the payment of any balance of any maximum limit of liability for any one Period of Insurance whichever is the less, together with the amount of any costs and expenses to the date of such payment.

## 7 Law Applicable

Unless otherwise agreed by the Insurer

- a the language of the Policy and all communications to it will be English; and
- b all aspects of the Policy including negotiation and performance are subject to English law and the decisions of English courts.

## 8 Rights of Third Parties

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

# Property Damage All Risks Section

## Definitions

### Damage/Damaged

Accidental loss or destruction of or damage to Property Insured.

### Specified Events

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

### Premises

The Buildings at the address or addresses stated in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible.

### Property/Property Insured

Buildings, Contents and other property belonging to the Insured or for which the Insured are responsible, as shown and/or described in the Schedule.

The Insurer agrees to accept the heading under which any Property or other item has been entered in the books of the Insured.

### Buildings

The buildings at the Premises being, unless more specifically described, built mainly of brick, stone, concrete or other non-combustible materials, including

- landlord's fixtures and fittings (including communal television and radio receiving aerials, satellite dishes and related fittings on or in residential Premises), fixed glass, fixed sanitaryware and walls, gates and fences in, on or pertaining to the buildings
- telephone, gas, water and electric instruments, meters, piping, cabling and the like and their accessories in, on or pertaining to the buildings including such property in adjoining yards or roadways or underground at the Premises and extending to the public mains
- fuel tanks and their ancillary equipment, pipework and the like at the Premises
- small outside buildings, annexes, gangways, conveniences and other structures at the Premises
- roads, car parks, yards, forecourts, patios, pavements, footpaths and similar hard surfaced areas at the Premises.

## Contents

Fitted carpets, furnishings and other contents of reception and storage areas and other communal parts of the buildings at the Premises, including

- the contents of fuel tanks at the Premises
- portable communal property in the open grounds of and used in connection with the buildings at the Premises
- Money, for an amount not exceeding £1,000 in total
- deeds, documents, manuscripts and business books, but only for the cost of the materials and clerical labour expended in reproducing such records
- computer systems records, but only for the cost of the materials and of clerical labour and computer time expended in reproducing such records, for an amount not exceeding £25,000 in total

and so far as they are not otherwise insured

- partners', directors', employees' and visitors' personal effects of every description (other than motor vehicles) whilst at the Premises, for an amount not exceeding £500 for any one person.

## Money

Cash, bank and currency notes, cheques, crossed bankers drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps, Holiday with Pay stamps, National Savings stamps, National savings certificates, Premium Bonds, credit sales vouchers or receipts, VAT purchase invoices, unexpired units in franking machines, gift tokens and consumer redemption vouchers belonging to the Insured or for which the Insured are responsible.

## Unoccupied

Any building or part of any building which is empty or not in use by the Insured or any tenant of the Insured.

## Cover

The Insurer will pay the Insured for Damage to Property Insured at the Premises shown in the Schedule, excluding

### 1 Damage caused by or consisting of

- a inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials
- b the bursting of any boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus belonging to the Insured or under the control of the Insured in which internal pressure is due to steam only
- c pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but the Insurer will pay for subsequent Damage which itself results from a cause not otherwise excluded
- d faulty or defective workmanship by the Insured or any employee of the Insured
- e operational error or omission by the Insured or any employee of the Insured but the Insurer will pay for
  - i such Damage not otherwise excluded which itself results from a Specified Event
  - ii subsequent Damage which itself results from a cause not otherwise excluded
- f acts of fraud or dishonesty by any partner, director or employee of the Insured but the Insurer will pay for such Damage not otherwise excluded which itself results from a Specified Event.

### 2 Damage caused by or consisting of

- a corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- b change in temperature, colour, flavour, texture or finish
- c theft or attempted theft
  - i which does not involve entry to or exit from a building by forcible and violent means or hold-up by violence or threat of violence to the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises
  - ii to property in the open or in open fronted buildings or in buildings not on permanent foundations
  - iii expedited or in any way brought about by the Insured or any partner, director or employee of the Insured

or Damage consisting of

- d joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
  - e mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates
- but the Insurer will pay for
- i such Damage not otherwise excluded which itself results from a Specified Event or from any other accidental loss, destruction or damage
  - ii subsequent Damage which itself results from a cause not otherwise excluded.

### 3 Loss, destruction or damage caused by pollution or contamination, but the Insurer will pay for destruction or damage to the Property Insured not otherwise excluded, caused by

- a pollution or contamination which itself results from a Specified Event
- b any Specified Event which itself results from pollution or contamination.

**4** Damage caused by or consisting of

- a** subsidence, ground heave or landslip
  - i** in respect of walls, gates, fences, roads, car parks, yards, forecourts, patios, pavements, footpaths, and similar hard surfaced areas unless covered by this Section and a building covered by this Section is Damaged by the same cause at the same time
  - ii** resulting from
- a** the settlement or movement of made-up ground
- b** coastal or river erosion
- c** defective design or workmanship or the use of defective materials
  - iii** which commenced prior to the inception of this cover
  - iv** occurring as a result of demolition, construction, structural alteration or repair of any Property or as a result of ground works or excavation, at the same Premises
- b** normal settlement or bedding down of new structures
- c** disappearance, unexplained or inventory shortage or the misfiling or misplacing of information

**5** Destruction of or damage to any building or structure caused by its own collapse or cracking, but the Insurer will pay for such destruction or damage resulting from a Specified Event in so far as it is not otherwise excluded.

**6** Damage in respect of any building which is Unoccupied caused by

- a** freezing
- b** escape of water from any tank, apparatus or pipe
- c** malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Damage caused by fire or explosion.

**7** Damage in respect of fences, gates and moveable Property in the open caused by wind, rain, hail, sleet, snow, flood or dust.

**8** Damage to any Property caused by fire, resulting from its undergoing any heating process or process involving the application of heat resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair, but the Insurer will pay for such Damage caused by fire or explosion.

**9** Damage in respect of

- a** jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books
  - b** Property in transit
  - c** glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects
  - d** Money, bonds or securities of any description
- but the Insurer will pay for such Damage caused by a Specified Event in so far as it is not otherwise excluded.

**10** Damage to

- a** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- b** Property or structures in course of construction or erection and materials or supplies in connection with all such Property or structures
- c** land, roads, pavements, piers, jetties, bridges, culverts or excavations
- d** livestock, growing crops or trees

but the Insurer will pay for such property specifically described in the Schedule or in this Section.

**11** Property which at the time of the happening of Damage is insured by or would but for the existence of this Section be insured by any marine policy or policies, but the Insurer will pay for any excess beyond the amount which would have been payable under such marine policy or policies had this Section not been effected.

**12** Any Property more specifically insured by or on behalf of the Insured

- 13 Damage occasioned by nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority.
- 14 Damage in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of Damage by fire or explosion) strikers, locked out workers, persons taking part in labour disturbances or malicious persons.
- 15 Consequential loss or damage of any kind or description, except loss of Rent when such loss is insured by this Section.
- 16 Damage directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, and whether occurring before, during or after the year 2000, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure
- a correctly to recognise any date as its true calendar date
  - b to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
  - c to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, Calculate or process any data on or after any date
- but the Insurer will pay for subsequent Damage which is not otherwise excluded and which itself results from a Specified Event.
- 17 The amount of any Excess specified in the Schedule.

## Special Condition

### Subsidence

Unless the Insurer agrees in writing, cover shall be avoided where demolition, construction, ground works or excavation on the same Premises or on any adjoining site increases the risk of Damage.

### Basis of Settlement

The Insurer will pay the Insured the value of the Property Insured at the time of its loss or destruction, or the amount of the Damage, or at the Insurer's option will reinstate or replace such Property or any part of such Property.

The most the Insurer will pay for any one claim is

- A** the Total Sum Insured, or for each item its individual Sum Insured, or any other limit of liability in this Section whichever is the less at the time of Damage
- B** the amount of the Sum Insured or Limit of Liability remaining after deduction for any other Damage occurring during the same Period of Insurance, unless the Insurer agrees to reinstate any such Sum Insured or Limit of Liability.

In consideration of Sums Insured or Limits of Liability not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft (as covered by this Section).

### Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

#### 1 Index Linking

Sums Insured and/or Declared Values will be adjusted to take into account movements in the appropriate index and renewal premiums will be based on the adjusted Sums Insured and/or Declared Values.

For Buildings, the General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors or for residential Premises the Household Rebuilding Cost Index issued by the Association of British Insurers (or some other suitable index the Insurer decides upon) will be used.

For Contents and other Property shown and/or described in the Schedule, the Retail Price Index (or some other suitable index the Insurer decides upon) will be used.

The above percentage changes will continue to be applied between the date of any Damage and the date when replacement or repair has been completed.

#### 2 Average (Underinsurance)

The Sums Insured by

- A** any items for Buildings or Contents subject to the Reinstatement (Day One Basis) Clause (other than any such items applying solely to Private Dwellings) are declared to be separately subject to Average as described in Special Condition 2 of such clause
- B** any other items of Property Insured (other than any Sum Insured applying solely to Rent, Fees, Removal of Debris or Private Dwellings) are declared to be separately subject to Average. This means if at the time of Damage the Sum Insured for any item is less than the value of the item covered by such Sum Insured, the amount payable by the Insurer will be proportionately reduced.

#### 3 Contribution and Average

If at the time of Damage any other insurance has been effected by or on behalf of the Insured covering any of the Property Damaged, the Insurer's liability under this Section shall be limited to the Insurer's rateable proportion of such Damage.

If such other insurance is subject to Average (Underinsurance), this Section if not already subject to Average shall be subject to Average in like manner.

If such other insurance is subject to any provision which excludes it from ranking concurrently with this Section, either in whole or in part, or from contributing rateably, the liability of the Insurer under this Section shall be limited to that proportion of the Damage which the Sum Insured for this Section bears to the value of the Property.

#### 4 Reinstatement (Day One Basis)

- A** Subject to the Special Conditions set out below, the basis on which the amount payable for Buildings and Contents is to be calculated will be the reinstatement of the Property lost, destroyed or damaged.

For this purpose “reinstatement” means

- i** the rebuilding or replacement of Property lost or destroyed which, provided the Insurer’s liability is not increased, may be carried out
  - a** in any manner suitable to the requirements of the Insured
  - b** on another site
- ii** the repair or restoration of Property damaged

in either case to a condition equivalent to, or substantially the same as, but no better or more extensive than its condition when new.

- B** The Declared Value (shown in brackets below the Sum Insured), having been stated in writing by the Insured, has been used to calculate the premium.

“Declared Value” means the assessment by the Insured of the cost of reinstatement of Property Insured arrived at in accordance with paragraph A.i. at the level of costs applying at inception of the Period of Insurance (ignoring inflationary factors which may subsequently operate), together with, to the extent that cover provides, due allowance for

- i** any additional cost of reinstatement to comply with Public Authorities Regulations, Bye-Laws or Stipulations
- ii** Professional Fees
- iii** Removal of Debris costs.

##### Special Conditions

- 1** At inception of each Period of Insurance, the Insured shall notify the Insurer of the Declared Value of Property Insured. In the absence of such declaration the last amount declared by the Insured will be taken as the Declared Value for the new Period of Insurance, appropriately adjusted if Index Linking applies.
- 2** If at the time of Damage the Declared Value of the Property is less than the cost of reinstatement (as defined in paragraph A.i.) at inception of the Period of Insurance, the amount payable by the Insurer will be proportionately reduced.

- 3** The Insurer’s liability for the repair or restoration of Property damaged in part only, shall not exceed the amount which would have been payable if such Property had been wholly destroyed.
- 4** No payment beyond the amount the Insurer would have paid in the absence of this clause will be made
  - a** unless reinstatement commences and proceeds without unreasonable delay
  - b** until the cost of reinstatement has actually been incurred
  - c** where Property Insured at the time of Damage is covered by any other insurance effected by the Insured, or on behalf of the Insured, which is not on the same basis of reinstatement.
- 5** All the terms and conditions of this Section and of the Policy shall apply
  - a** to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause
  - b** where claims are payable as if this clause had not been incorporated, except that Sums Insured will be limited to 115% of Declared Values.

#### 5 Public Authorities (including undamaged Property)

Subject to the Special Conditions set out below, cover for Buildings and Contents includes an amount in respect of any additional cost of reinstatement which is incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Act of Parliament, with Bye-Laws of any Public Authority or to comply with the Stipulations of European Union legislation, in respect of

- lost, destroyed or damaged Property
- undamaged portions of such Property

excluding

- A** the cost incurred in complying with such Regulations, Bye-Laws or Stipulations
  - i** in respect of Damage occurring prior to the granting of this cover
  - ii** in respect of Damage not covered by this Section
  - iii** under which notice has been served upon the Insured before the date of the Damage
  - iv** in respect of undamaged Property other than undamaged portions of Property Damaged

- B** the additional cost that would have been required to make good the Property Damaged to a condition equal to its condition when new, had the necessity to comply with such Regulations, Bye-Laws or Stipulations not arisen
- C** the amount of any charge or assessment arising out of capital appreciation, which may be payable in respect of the Property, by reason of compliance with any such Regulations, Bye-Laws or Stipulations.

#### Special Conditions

- 1** The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the Damage, or within such further time as the Insurer may allow, and may be carried out upon another site (if such Regulations, Bye-Laws or Stipulations so necessitate), subject to there being no resulting increase in the liability of the Insurer.
- 2** If the liability of the Insurer is reduced by the application of any of the terms and conditions of this Section or of the Policy (other than as a result of this clause) the liability of the Insurer under this clause will be reduced in proportion.
- 3** The most the Insurer will pay for any one claim in respect of undamaged portions of Property other than foundations is 15% of the total amount for which the Insurer would have been liable had the Property been wholly destroyed.
- 4** All the terms and conditions of this Section and of the Policy shall apply to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause.

#### 6 Sprinkler Installation Upgrading Costs

If, following Damage, the Insurer requires the upgrading of any automatic sprinkler installation in order that at the time of its reinstatement such installation will conform to Loss Prevention Council Rules current at the time of reinstatement, the Insurer will pay the costs incurred by the Insured provided that at the time of the Damage the installation conformed to the 28th or 29th Edition Rules for Automatic Sprinkler Installations issued by the Loss Prevention Council at the time of original installation but did not conform to subsequent amendments to such rules.

#### 7 Alterations and Additions

To the extent that they are not otherwise insured, Buildings and Contents items include

- A** alterations, additions and improvements (but not appreciation in value in excess of Sums Insured)
- B** any newly acquired or newly erected Buildings and Contents within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, for no more than 20% of the Sum Insured for each item covered, or £2,000,000 in total, whichever is the less, at any one Premises or at any one newly acquired address elsewhere than at the Premises, provided that the Insured shall give details of such alterations and additions to the Insurer within 6 calendar months of the commencement date of the Insured's responsibility, effect specific cover retrospective to such date and pay the appropriate additional premium.

#### 8 Intention to Insure

The Insured having notified the Insurer at inception of cover of their intention to insure all Buildings in which they are interested within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, and it being the Insured's belief that all such Property is covered, the Insurer agrees that if subsequently any such Property is found to be inadvertently omitted from the cover under this Section the Insurer will deem them to be covered for the amount of their structural value, up to an amount of £2,000,000 for Buildings at any one inadvertently omitted address, provided that the Insured shall give details to the Insurer immediately the omission is discovered, effect specific cover retrospective to such date and pay the appropriate additional premium.

#### 9 Professional Fees

Sums Insured and/or Declared Values for Buildings include an amount in respect of Architects', Surveyors', Legal and Consulting Engineers' fees, other than where an item covering such fees is specifically shown in the Schedule.

Cover applies only to those fees necessarily and reasonably incurred in consequence of Damage, in the reinstatement or repair of Property Insured.

## 10 Removal of Debris Costs

Sums Insured and/or Declared Values for Buildings and Contents include an amount in respect of removal of debris costs, other than where an item covering such costs is specifically shown in the Schedule.

Cover applies only to those costs necessarily and reasonably incurred in consequence of Damage, in

- A removing debris
- B dismantling and demolishing
- C shoring up or propping
- D clearing, cleaning and/or repairing drains, gutters, sewers and the like for which the Insured are responsible.

The Insurer will not pay for any costs or expenses incurred in removing debris other than from the site of such Property Damage and the area immediately adjacent to such site arising from pollution or contamination of Property not insured by this Section.

## 11 Removal of Debris Costs – Tenants Contents

To the extent that they are not otherwise insured, Cover includes irrecoverable costs necessarily incurred with the Insurers consent, in consequence of Damage, in removing debris in respect of contents for which the Insured are not responsible, up to an amount of £5,000 any one claim.

The Insurer will not pay for any costs

- A incurred in removing debris other than from the site of such Property Damage and the area immediately adjacent to such site
- B arising from pollution or contamination of Property not covered by this Section.

## 12 Temporary Removal

Property Insured is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes to any address elsewhere than at the Premises, including whilst in transit, within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The Insurer will not pay for

- A such Property more specifically insured
- B Damage to vehicles licensed for road use, in so far as they are insured by this Section, occurring elsewhere than at the Premises from which such vehicles are removed
- C more than 10% of the Sum Insured for each item covered, for Damage occurring elsewhere than at the Premises.

## 13 Temporary Removal – Documents

If deeds and other documents (including stamps on them), manuscripts, plans and writings of every description, books and other business records are included in the Property Insured, such items are covered whilst temporarily removed to any address elsewhere than at the Premises, including whilst in transit within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The Insurer will not pay for

- A such items more specifically insured
- B more than 10% of the figure stated within the definition of contents for computer systems records
- C more than 10% of the total value of such items.

## 14 Electrical Apparatus

If any electrical apparatus or fittings are damaged by fire due to self ignition, over-running, excessive pressure, short circuiting, self heating or leakage of electricity, the Insurer shall not be liable for Damage to the particular piece of apparatus or fitting which has caused the fire, but the Insurer shall be liable for Damage to any other apparatus or fittings in consequence of such fire.

## 15 Fixed Glass

Following Damage to fixed glass the Insurer will pay the cost of

- A any necessary temporary boarding-up of broken glass pending full replacement
- B removing and re-fixing window fittings and other obstacles to replacing broken glass and replacing alarm foil lettering, painting, embossing, silvering or other ornamental work on glass
- C Damage to framework and to Contents caused by broken glass.

The Insurer will not pay for Damage existing prior to inception of this Section.

## 16 Locks and Keys

The Insurer will pay the cost of replacing locks and keys of doors and windows for which the Insured are responsible, such costs being necessarily incurred to keep the Premises secure if keys are stolen using force and violence, up to an amount of £5,000 any one claim.

## 17 Fire Extinguishers and Sprinklers

The Insurer will pay the reasonable costs incurred by the Insured in re-filling fire extinguishers and replacing sprinkler heads, solely in consequence of Damage by a Specified Event.

## 18 Landscaped Grounds

Cover includes costs incurred by the Insured in consequence of Damage to Property Insured at the Premises, up to an amount of £25,000 any one claim, in restoring landscaped grounds to their original appearance when first laid out and planted.

The Insurer will not pay for costs arising due to the failure of trees, shrubs, plants, turf and the like to germinate or to become established.

## 19 Metered Supplies

Cover includes additional water, gas, electricity or other metered supply charges incurred by the Insured in consequence of Damage, and for which the Insured are legally responsible, up to an amount of £25,000 any one claim.

The Insurer will not pay for such charges incurred in respect of any building which is Unoccupied.

The basis on which the amount payable is to be calculated will be the amount of the suppliers' charges for the period following the Damage, less the charge paid by the Insured for the corresponding period in the preceding year, adjusted for changes in the suppliers' charges and for variations affecting supply consumption by the Insured.

## 20 Unauthorised Use of Supplies

Cover includes the cost of water, gas, electricity or other metered supply charges incurred by the Insured and for which the Insured are legally responsible, up to an amount of £25,000 any one claim, due to unauthorised use by persons taking possession of, keeping possession of or occupying any Premises without the written consent of the Insured, provided that

- A the Insured shall take all practicable steps to terminate such unauthorised use as soon as it is discovered
- B Section Condition 3 has been complied with by the Insured.

## 21 Trace and Access

In the event of Damage in consequence of escape of water or fuel oil from any tank, apparatus or pipe, the Insurer will pay the costs necessarily and reasonably incurred by the Insured in locating the source of such Damage, and in the subsequent making good of Damage caused as a consequence of locating such source, up to an amount of £10,000 any one claim.

## 22 Tree Felling and Lopping

Cover includes costs incurred by the Insured, up to an amount of £5,000 any one claim, in removing or lopping trees which are an immediate threat to the safety of life or of Damage to the Property Insured.

The Insurer will not pay for

- A Legal or Local Authority costs involved in removing trees
- B costs incurred solely to comply with a Preservation Order.

## 23 Removal of Wasp and Bee Nests

Cover includes costs incurred by the Insured, up to an amount of £500 any one claim, in removing wasp or bee nests from buildings at the Premises.

The Insurer will not pay for the cost of removing nests already in buildings at the Premises prior to the inception of this cover.

## 24 Contractors Interest

When the Insured is required by the terms or conditions of any contract to cover Buildings in the joint names of the Insured and of any contractor or sub-contractor named in such contract, the Insurer agrees to note such joint interests provided that the Insured shall notify the Insurer of details of any single contract valued at £250,000 or more, in advance of commencement of the work, and pay any additional premium the Insurer may require.

## 25 Contract Works

Cover for Buildings and Contents includes any permanent or temporary works undertaken in performance of any contract, including all unfixed materials and goods delivered to or placed on or adjacent to the Premises and intended for incorporation in such Contract Works, all for which the Insured are responsible under the terms of the contract up to an amount of £250,000 any one contract.

## 26 Alternative Residential Accommodation

If as a result of insured Damage residential Premises or parts of residential Premises are rendered unfit to live in, or access to them is denied, to the extent that they are not otherwise insured the Insurer will pay the costs of reasonable alternative accommodation and temporary storage of residents furniture and the costs of reasonable accommodation in kennels and/or catteries for residents dogs and/or cats, if dogs and/or cats are not permitted in such residents alternative accommodation.

The Insurer will not pay for such costs in excess of 20% of the Sum Insured applying to the Premises or to the parts of the Premises Damaged.

## 27 Seventy Two Hours Clause

Damage occurring within 72 consecutive hours of and arising from the Specified Events of storm or flood is deemed to be one claim. The Insured have the right to select the moment from which the 72-hour period shall be deemed to have commenced within the terms of this Section, provided that such Damage occurred prior to expiry of the Period of Insurance.

## 28 Damage following Theft

In the event that Buildings are not covered by this Section, the Insurer will pay costs for which the Insured are responsible, necessarily and reasonably incurred by the Insured to repair Damage to the Premises in consequence of theft or attempted theft (as insured by this Section).

The Insurer will also pay the cost of any temporary boarding-up and making good necessary to keep the Premises secure.

## 29 Contracting Purchasers

The Insurer agrees that without prejudice to the rights and liabilities of the Insured or the Insurer, if at the time of Damage the Insured have contracted to sell their interest in any building covered, and the purchase has not been but shall afterwards be completed, the purchasers on completion of the purchase shall be entitled to benefit under this Section until completion, except in so far as such building is more specifically insured by or on behalf of the purchaser.

### 30 Freeholders, Lessors and Mortgagees

When the interest of any Freeholder, Lessor or Mortgagee has been noted in Property Insured covered by this Section, the Insurer agrees that this Section shall not be invalidated by any act, omission, alteration or neglect of or by the Leaseholder, Lessee or Mortgagor unknown to or beyond the control of the Freeholder, Lessor or Mortgagee, by which the risk of Damage is increased, provided that the Freeholder, Lessor or Mortgagee shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such act, omission, alteration or neglect.

## Section Conditions

### 1 Precautions

The Insured must keep the Premises in a good state of repair.

### 2 Alteration

Unless the Insurer agrees in writing, cover under this Section shall be avoided for any of the Property Insured in regard to which there is any alteration after the commencement of this Section

- a by removal
- b by buildings or parts of buildings described in the Schedule as occupied becoming Unoccupied, or as Unoccupied becoming occupied
- c which increases the risk of Damage
- d which results in the interest of the Insured ceasing other than by will or operation of law.

### 3 Unoccupied Premises

Unless the Insurer agrees in writing, in respect of

- a any buildings or parts of buildings described in the Schedule as Unoccupied
- b any buildings or parts of buildings described in the Schedule become Unoccupied after the commencement of this Section

until such buildings or parts of buildings again become occupied the Insured must

- i turn off electricity, gas and water supplies at the mains, except for those connected to automatic sprinkler installations or connected to automatic fire alarm or intruder alarm installations

- ii drain down all water systems, except those connected to automatic sprinkler installations
- iii maintain automatic sprinkler installations and automatic fire alarm and intruder alarm installations fully operational
- iv maintain a minimum level of heating of automatic sprinkler installations sufficient to prevent freezing
- v close and secure all points of access by all locks and other protections fitted to them
- vi remove all combustible waste, including that left in any communal parts of the buildings or in the grounds at the Premises
- vii organise an inspection of such buildings or parts of such buildings to be carried out by a responsible adult at least once in every 14 days.

### 4 Non Invalidation

This Section shall not be invalidated by

- a any act, omission, alteration or neglect unknown to or beyond the control of the Insured, by which the risk of Damage is increased, provided that the Insured shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such act, omission, alteration or neglect
- b workmen on the Premises carrying out repairs, general maintenance work or minor structural or other alterations.

### 5 Conditions Precedent to Liability

Every condition applied to this Section or to any item of this Section (whether a General, Section or Special Condition) shall apply from the time the condition attaches and continue to be in force during the whole currency of this Section.

Failure to comply with any such condition, to the extent that it increases the risk of Damage, shall be a bar to any claim in respect of such Damage.

## 6 Additional Claims Conditions

In the event of Damage, the Insured shall at their own expense deliver to the Insurer

- a within 30 days after such Damage (7 days in the case of Damage by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft) or such further time as the Insurer may allow in writing
  - i full information in writing of the Property Insured Damaged, and the amount of Damage
  - ii details of any other insurances on the Property Insured covered by this Section
- b all such proof and information relating to the claim as may reasonably be required
- c if required, a statutory declaration of the truth of the claim and of any matters connected with it.

The Insurer will not pay for any claim unless the terms of this condition have been complied with.

## 7 Reinstatement

If any property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all plans, documents, books and information as may reasonably be required. The Insurer shall not be bound to reinstate exactly, but only as circumstances permit, and in a reasonably sufficient manner, and shall not in any case be bound to expend for any one item of this Section more than its Sum Insured.

## 8 The Insurer's Rights following a Claim

In respect of Damage for which a claim is made, the Insurer and any person authorised by the Insurer may without incurring any liability or diminishing any of the Insurer's rights in respect of the cover under this Section, enter take or keep possession of the Premises where such Damage has occurred, and take possession of or require to be delivered to the Insurer any Property Insured, and to deal with such Property for all reasonable purposes and in any reasonable manner.

- no Property may be abandoned to the Insurer, whether taken possession of by the Insurer or not
- the Insurer will not pay for any claim unless the terms of this condition have been complied with.

## 9 Subrogation

Any claimant under this Section shall, at the Insurer's request and expense, take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured, before or after Insurer makes any payment.

The Insurer agrees to waive any such rights to which the Insurer might become entitled by subrogation against

- a any company standing in relation of parent to subsidiary (or subsidiary to parent) to the Insured or against any company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the Damage
- b any tenant or lessee in respect of Damage to that part of the Premises occupied by the tenant or lessee or to the communal parts of the Premises, unless such Damage arises out of a criminal, fraudulent or malicious act by the tenant or lessee.

## 10 Arbitration

If any difference arises as to the amount to be paid under this Section (liability being otherwise admitted by the Insurer), such difference shall be referred to an arbitrator to be appointed by the Insured and the Insurer in accordance with statutory provisions.

Where any difference is referred to arbitration in accordance with this condition, the making of an award shall be a condition precedent to any right of action against the Insurer.

# Loss of Rent Section

## Definitions

### Damage/Damaged

Accidental loss or destruction of or damage to property belonging to the Insured or for which the Insured are responsible at Premises used by the Insured for the purpose of the Business.

### Specified Events

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

### Premises

The buildings at the address or addresses stated in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible.

### Unoccupied

Any building or part of any building which is empty or not in use by the Insured or any tenant of the Insured.

### Indemnity Period

**A** For occupied Premises or occupied parts of Premises -

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the Damage.

**B** For Unoccupied Premises or Unoccupied parts of Premises – The period beginning with the date upon which but for the Damage Rent would have commenced to be payable and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the Damage.

### Maximum Indemnity Period

The period shown in the Schedule.

### Rent

The money paid or payable to the Insured by tenants for accommodation provided and services rendered at the Premises.

## Calculated Rent

**A** For occupied Premises or occupied parts of Premises –

The amount of the actual annual Rent at commencement of the Period of Insurance plus increases as a result of rent reviews known to be due during such Period of Insurance, proportionately increased when the Maximum Indemnity Period exceeds 12 months.

**B** For Unoccupied Premises or Unoccupied parts of Premises – A professional valuation, based upon leases expected to be signed or in course of negotiations and upon rent of similar premises in the same locality, estimating at commencement of the Period of Insurance the amount of Rent to be payable during such Period of Insurance and during related subsequent Periods of Insurance when the Maximum Indemnity Period exceeds 12 months.

## Cover

**The Insurer will pay the Insured for Loss of Rent in consequence of Damage, excluding**

- 1** Damage caused by or consisting of
  - a** inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials
  - b** the bursting of any boiler (not being a boiler or economiser on the Premises or a boiler used for domestic purposes only), belonging to the Insured or under the control of the Insured in which internal pressure is due to steam only
  - c** pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but the Insurer will pay for subsequent Damage which itself results from a cause not otherwise excluded
  - d** faulty or defective workmanship by the Insured or any employee of the Insured
  - e** operational error or omission by the Insured or any employee of the Insuredbut the Insurer will pay for
  - i** such Damage not otherwise excluded which itself results from a Specified Event
  - ii** subsequent Damage which itself results from a cause not otherwise excluded

- f** acts of fraud or dishonesty by any partner, director or employee of the Insured but the Insurer will pay for such Damage not otherwise excluded which itself results from a Specified Event.

## 2 Damage

- a** caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- b** caused by or consisting of change in temperature, colour, flavour, texture or finish
- c** arising directly from theft or attempted theft
  - i** which does not involve entry to or exit from a building at the Premises by forcible and violent means or hold-up by violence or threat of violence to the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises
  - ii** to property in the open or in open fronted buildings or in buildings not on permanent foundations
  - iii** expedited or in any way brought about by the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises
- d** consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- e** consisting of mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates
- f** caused by the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services  
but the Insurer will pay for
  - i** such Damage not otherwise excluded which itself results from a Specified Event or from any other accidental loss, destruction or damage
  - ii** subsequent Damage which itself results from a cause not otherwise excluded.

- 3** Loss resulting from pollution or contamination, but the Insurer will pay for such loss resulting from destruction of or damage to property used by the Insured at the Premises for the purpose of the Business not otherwise excluded, caused by

- a** pollution or contamination at the Premises which itself results from a Specified Event
- b** any Specified Event which itself results from pollution or contamination.

## 4 Damage caused by or consisting of

- a** subsidence, ground heave or landslip
  - i** in respect of walls, gates, fences, roads, car parks, yards, forecourts, patios, pavements, footpaths, and similar hard surfaced areas unless a building used by the Insured at the same Premises is Damaged by the same cause at the same time
  - ii** resulting from
    - a** the settlement or movement of made-up ground
    - b** coastal or river erosion
    - c** defective design or workmanship or the use of defective materials
    - iii** which commenced prior to the inception of this cover
    - iv** occurring as a result of demolition, construction, structural alteration or repair of any Property or as a result of ground works or excavation, at the same Premises
- b** normal settlement or bedding down of new structures.

## 5 Damage arising directly or indirectly from

- a** disappearance, unexplained or inventory shortage or the misfiling or misplacing of information
- b** erasure, loss, distortion or corruption of information on computer systems or other records, programs or software deliberately by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotion's or malicious persons
- c** other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software, but the Insurer will pay for such Damage resulting from a Specified Event in so far as it is not otherwise excluded.

**6** Loss resulting from destruction or damage to a building or structure used by the Insured at the Premises caused by its own collapse or cracking, but the Insurer will pay for such loss resulting from a Specified Event in so far as it is not otherwise excluded.

**7** Damage in respect of fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, flood or dust.

**8** Damage

- a** caused by fire resulting from any property undergoing any heating process or any process involving the application of heat
- b** resulting from any property undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair, but the Insurer will pay for such Damage caused by fire or explosion.

**9** Damage in respect of any building which is Unoccupied caused by

- a** freezing
- b** escape of water from any tank, apparatus or pipe
- c** malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Damage caused by fire or explosion.

**10** Damage in respect of

- a** glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects
- b** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- c** property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
- d** land, roads, pavements, piers, jetties, bridges, culverts or excavations
- e** livestock, growing crops or trees.

but the Insurer will pay for such Damage caused by a Specified Event in so far as it is not otherwise excluded.

**11** Damage directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, and whether occurring before, during or after the year 2000, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date, including the failure

- a** correctly to recognise any date as its true calendar date
- b** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date

but the Insurer will pay for subsequent Damage which is not otherwise excluded and which itself results from a Specified Event.

**12** Damage in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of Damage by fire or explosion) strikers, locked out workers, persons taking part in labour disturbances or malicious persons.

**13** The amount of any Excess specified in the Schedule.

## Special Condition Subsidence

Unless the Insurer agrees in writing, cover shall be avoided where demolition, construction, ground works or excavation on the same Premises or on any adjoining site increases the risk of Damage.

## Basis of Settlement

The Insurer will pay the Insured, in respect of each Item covered, the amount of their claim for Loss of Rent, provided that at the time of any Damage

- A** there is an insurance in force covering the interest of the Insured in the property at the Premises against such Damage and that
  - i** payment has been made or liability has been admitted for payment, or
  - ii** payment would have been made or liability would have been admitted for payment but for the operation of a proviso in such insurance excluding liability for claims below a specified amount
- B** the most the Insurer will pay for any one claim for Loss of Rent is 200% of the Total Sum Insured for Rent, or in respect of any one Item for Rent 200% of its Sum Insured.

In consideration of Sums Insured or limits of liability not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of the Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft (as insured by this Section).

The Insurer will pay the Insured as indemnity in consequence of Damage for

- A** Loss of Rent  
including
- B** Increase in Cost of Working  
and
- C** Re-letting Costs.

Loss of Rent means the amount by which the Rent during the Indemnity Period falls short of the Rent which but for the Damage would have been received.

Increase in Cost of Working means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Loss of Rent which but for that expenditure would have taken place during the Indemnity Period.

Re-letting Costs means the expenditure necessarily and reasonably incurred in consequence of Damage in Re-letting Premises, including legal fees or other charges incurred solely in consequence of such re-letting.

## Basis of Settlement Adjustments

The Insurer will not pay the Insured for

- A** Increase in Cost of Working exceeding the amount of Loss of Rent thereby avoided
- B** legal fees or other charges payable by any new tenant acquired in re-letting Premises in consequence of Damage
- C** any amounts saved during the Indemnity Period in respect of any of the charges and expenses of the Business payable out of Rent that may cease or be reduced.

In calculating the amounts the Insurer will pay the Insured as indemnity, adjustments shall be made in accordance with the following clauses.

### 1 Average

If the Sum Insured by any item on Rent is less than the Calculated Rent for that Item, the amount payable will be proportionately reduced.

### 2 Accountants' Charges

If the professional accountants of the Insured produce any particulars or details required by the Insurer from the Insured's books of account or other business books or documents, or any other proofs, information or evidence under the terms of Condition 2 of this Section, the Insurer will pay the Insured the reasonable charges payable by the Insured to their professional accountants, provided that the sum of such reasonable charges and any other amount payable under this Section shall not exceed the liability of the Insurer under this Section.

### 3 Alterations and Additions

Cover includes Rent in respect of

**A** alterations, additions and improvements to Premises

**B** newly acquired or newly erected Premises

within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, for no more than 20% of the Total Sum Insured or £500,000 whichever is the less, at any one Premises, provided that the Insured shall give details to the Insurer within 6 calendar months of the commencement date of the Insured's interest in such Rent, effect specific cover retrospective to such date and pay the appropriate additional premium.

### 4 Intention to Insure

The Insured having notified the Insurer of their intention to insure Rent in respect of all Premises in which they are interested within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, and it being the Insured's belief that all such Rent is covered, the Insurer agrees that if subsequently any such Rent is found to be inadvertently omitted from the cover under this Section, the Insurer will deem it to be covered up to an amount of £500,000 for Rent in respect of any one inadvertently omitted Premises, provided that the Insured shall give details to the Insurer immediately the omission is discovered, effect specific cover retrospective to such date and pay the appropriate additional premium.

### 5 Additional Increase in Costs of Working

Where an item for Additional Increase in Cost of Working is shown in the Schedule, cover extends to include additional expenditure beyond that the Insurer will pay as indemnity in respect of Increase in Cost of Working under Basis of Settlement, necessarily and reasonably incurred in consequence of Damage for the purposes of avoiding or diminishing the Loss of Rent during the Indemnity Period.

The most the Insurer will pay for any one claim is Sum Insured shown in the Schedule.

### 6 Book Debts

Subject to the undernoted Definitions, Basis of Settlement and Extension Conditions, Cover extends to include the Insured's loss in respect of Outstanding Debit Balances following Damage to the Insured's Records.

The most the Insurer will pay for any one claim is the Sum Insured shown in the Schedule.

## Definitions

### Geographical Limits

**a** at the Premises

**b** at any premises in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands occupied by persons acting on behalf of the Insured, to which Records have been temporarily removed

**c** in transit, including sea or air transit, within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, but excluding Damage by theft or attempted theft.

### Records

The Insured's books of account or other business books or records.

### Outstanding Debit Balances

The total recorded by the Insured under the provisions of the Outstanding Debit Recording Condition adjusted for

**a** bad debts

**b** amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the Insured's books at the time of the event) to Customers' Accounts in the period between the date to which the total last recorded relates and the date of the Damage

**c** any abnormal condition of trade which had or could have had a material effect on the Business

so that the adjusted figures represent as near as reasonably practicable results which but for the Damage would have obtained at the date of the Damage had the Damage not occurred.

### Basis of Settlement

The Insurer will pay the Insured the amount of their claim for Outstanding Debit Balances if in consequence of Damage the Insured are unable to trace or establish Outstanding Debit Balances in whole or in part.

In consideration of the Sum Insured not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of the Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft or Terrorism (as insured by this Extension).

The insurance under this Extension is limited to loss sustained by the Insured directly due to the Damage and the amount payable shall not exceed

- a the difference between
  - i the Outstanding Debit Balances, and
  - ii the total of the amounts received or traced in respect of such balances
- b the additional expenditure incurred with the Insurer's previous consent in tracing and establishing customers' debit balances after the Damage.

### Basis of Settlement Adjustments

In calculating the amount the Insurer will pay the Insured, adjustments shall be made in accordance with the following clause.

### Average (Underinsurance)

If the Sum insured at the time of the Damage is less than the Outstanding Debit Balances, the amount payable will be proportionately reduced.

### Extension Conditions

Section Conditions 1, 2, 3, 4, 5 and 6 apply to this Extension, and in addition

#### 1 Outstanding Debit Recording

At the end of each month the Insured shall record the total amount outstanding in Customers Accounts at that time, and keep a copy of such records at a place other than the Insured's Premises.

#### 2 Additional Claims Condition

In the event of Damage in consequence of which the Insured make or may make a claim under this Extension, the Insured shall at their own expense deliver to the Insurer full information in writing of the particulars of the claim, together with details of all other policies covering Outstanding Debit Balances or any part of them, and the amount of any resulting Outstanding Debit Balances.

The Insurer will not pay for any claim unless the terms of this condition have been complied with, and any payment on account already made shall be repaid to the Insurer.

### 7 Seventy Two Hours Clause

Damage occurring within 72 consecutive hours of and arising from the Specified Events of storm or flood is deemed to be one claim. The Insured have the right to select the moment from which the 72 hour period shall be deemed to have commenced within the terms of this Section, provided that such Damage occurred prior to expiry of the Period of Insurance.

### 8 Value Added Tax

All terms in this Section shall be exclusive of value added tax to the extent that the Insured are accountable to the tax authorities for such tax.

### 9 Payments on Account

The Insurer will make payments on account during the Indemnity Period, if the Insured so request, subject to any necessary adjustment at the end of the Indemnity Period.

## Extensions

Any claim resulting from interruption of or interference with the Business in consequence of accidental loss, destruction or damage to any Property shown below, within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, shall be understood to be Damage as covered by this Section, provided that after the application of all other terms, conditions and provisions of this Section the liability of the Insurer shall not exceed the most the Insurer will pay for any one claim, or the amount shown against any of the Property as the Limit, whichever is the less.

#### 1 Managing Agents' Premises

Property of the Insured's managing agents at the premises of such managing agents.

Limit 10% or £500,000 whichever is the less.

#### 2 Denial of Access

Property in the vicinity of the Premises which prevents or hinders the use of or access to the Premises, whether the Premises or property in them is Damaged or not.

#### 3 Loss of Attraction

Property in the vicinity of the Premises causing a fall in the number of tenants attracted to the Premises, provided that for the purpose of this Extension Damage shall exclude obstruction of roads, streets and the like by weather or climatic conditions

a The Maximum Indemnity Period shall not exceed 3 months.

b Limit 5% or £250,000 whichever is the less.

#### 4 Supply Undertakings

Property at any

a generating station or sub-station of the electricity supply undertaking

- b land based premises of the gas supply undertaking or of any natural gas producer linked directly therewith
- c waterworks or pumping station of the water supply undertaking
- d land based premises of the telecommunications undertaking from which the Insured obtain electricity, gas, water or telecommunications services.

## 5 Documents

Documents belonging to the Insured or held by the Insured in trust, whilst at premises not being the Insured's Premises, or in transit by road, rail or inland waterway.

## 6 Specified Illnesses

Any claim resulting from interruption of or interference with the Business in consequence of any of the undernoted Contingencies shall be understood to be Damage as covered by this Section, subject to the undernoted Definitions and Special Conditions, and provided that after the application of all other terms, conditions and provisions of this Section the most the Insurer will pay for any one claim shall be £250,000.

### Contingencies

- a any occurrence of a Specified Illness at the Premises
- b any discovery of an organism at the Premises likely to result in the occurrence of a Specified Illness at the Premises
- c any occurrence of Legionellosis at the Premises
- d the discovery of vermin or pests at the Premises
- e any accident causing defects in the drains or other sanitary arrangements at the Premises

which causes restrictions on the use of the Premises on the order or advice of the competent local authority.

## Definitions

### Specified Illness:

Illness sustained by any person resulting from

- 1 food or drink poisoning, or

- 2 Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chickenpox, Cholera, Diphtheria, Dysentery, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia Neonatorum, Paratyphoid Fever, Plague, Rabies, Rubella, Scarlet Fever, Smallpox, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough or Yellow Fever

an outbreak of which the competent local authority has stipulated shall be notified to them.

### Legionellosis:

Illness sustained by any person resulting from any discharge, release or escape of legionella from water tanks, water systems, air-conditioning plants, cooling towers and the like at the Premises.

### Indemnity Period:

The period during which the results of the Business shall be affected in consequence of the occurrence, discovery or accident, beginning with the date from which the restrictions on the Premises are applied and ending not later than 3 months thereafter.

### Special Conditions

- 1 The Insurer shall not be liable for any costs incurred in the cleaning, repair, replacement or checking of property.
- 2 The Insured, in so far as is reasonably practical, shall ensure compliance with the Health and Safety Commissions Approved Code of Practice, "The Prevention and Control of Legionellosis (including Legionnaires Disease)", or any supplementary, replacement or amending Code of Practice.

## Section Conditions

### 1 Alteration

Unless the Insurer agrees in writing, cover under this Section shall be avoided if after the commencement of this Section

- A the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
- B the interest of the Insured ceases other than by death
- C any alteration is made in the Business or in the Premises or property in them which increases the risk of Damage.

## 2 Additional Claims Conditions

In the event of Damage, in consequence of which the Insured make or may make a claim under this Section, the Insured shall at their own expense deliver to the Insurer

- a within 7 days of its happening, full details of Damage caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft
- b not later than 30 days after expiry of the Indemnity Period, or such further time that the Insurer may allow, full information in writing of the particulars of the claim, together with details of all other policies covering the Premises for the purpose of the Business or any part of the Business, and the amount of any resulting Damage
- c such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence that the Insurer may reasonably require for the purpose of investigating or verifying the claim, together with, if required, a statutory declaration of the truth of the claim and of any matters connected with it.

Particulars or details contained in the Insured's books of account or other business books or documents, which may be required by the Insurer for the purpose of investigating or verifying any claim under this Section, may be produced by professional accountants if at the time they are regularly acting for the Insured. Their report shall be prima facie evidence of the particulars and details to which such report relates.

The Insurer will not pay for any claim unless the terms of this condition have been complied with, and any payment on account already made shall be repaid to the Insurer.

## 3 Contribution

If at the time of Damage resulting in a claim under this Section there is any other insurance effected by or on behalf of the Insured covering such loss or any part of it, the liability of the Insurer under this Section shall be limited to the Insurer's rateable proportion of such loss.

## 4 Subrogation

Any claimant under this Section shall, at the Insurer's request and expense, take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured, before or after the Insurer makes any payment.

The Insurer agrees to waive any such rights to which the Insurer might become entitled by subrogation against

- a any company standing in relation of parent to subsidiary (or subsidiary to parent) to the Insured or against any company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the Damage
- b any tenant or lessee in respect of Damage to that part of the Premises occupied by the tenant or lessee or to the communal parts of the Premises, unless such Damage arises out of a criminal, fraudulent or malicious act by the tenant or lessee.

## 5 Arbitration

If any difference arises as to the amount to be paid under this Section (liability being otherwise admitted by the Insurer), such difference shall be referred to an arbitrator to be appointed by the Insured and the Insurer in accordance with statutory provisions.

Where any difference is referred to arbitration in accordance with this condition, the making of an award shall be a condition precedent to any right of action against the Insurer.

## 6 Declarations

The Insured may, at the Insured's option, provide the Insurer with a declaration confirmed by the Insured's auditors of the Rent earned during the financial year most nearly concurrent with an expired Period of Insurance. If any Damage has occurred giving rise to a claim for loss of Rent, such declaration will be increased by the Insurer for the purpose of premium adjustment, by the amount by which the Rent was reduced during such financial year solely in consequence of such Damage.

If such declaration of Rent, proportionately increased where the Maximum Indemnity Period exceeds 12 months, is less than the Sum Insured on Rent for the relative Period of Insurance, the Insurer will allow a pro rata return of premium not exceeding 50% of the premium paid.

# Employers' Liability

## Definitions

### 1 Injury

Bodily injury, death, disease, illness, mental injury, mental anguish or nervous shock.

### 2 Employee

- A Any person under a contract of service or apprenticeship with the Insured
- B any of the following persons whilst working for the Insured in connection with the Business
  - i any labour master or labour only subcontractor or person supplied by him
  - ii any self-employed person providing labour only
  - iii any trainee or person undergoing work experience
  - iv any voluntary helper
  - v any person who is borrowed by or hired to the Insured.

### 3 Business

The Business specified in the Schedule conducted solely from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and including

- A the ownership, maintenance and repair of premises used in connection therewith
- B the provision and management of canteen, social, sports or welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured
- C the execution of private duties by Employees for any partner, director or senior official of the Insured.

### 4 Territorial Limits

- A Great Britain, Northern Ireland, the Isle of Man and the Channel Islands
- B elsewhere in the world in respect of Injury sustained by any Employee resident within the territories specified in Definition 4 A above and caused whilst such Employee is temporarily employed outside these territories provided that any action for compensation in respect of such Injury is brought in a court of law within the said territories or any other member country of the European Union.

### 5 Offshore Installations

- A Any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- B any installation in the sea or tidal waters which is intended for the storage or recovery of gas
- C any pipe or system of pipes in the sea or tidal waters
- D any installation which is intended to provide accommodation for persons who work on or from the locations specified in Definition 5 A, 5 B or 5 C above.

## Cover

- A The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of Injury sustained by any Employee arising out of and in the course of the employment or engagement of such person by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance.

In addition the Insurer will pay costs and expenses incurred by the Insurer or with the written consent of the Insurer

- a in connection with the defence of any claim
- b for representation of the Insured
  - i at any coroner's inquest or fatal accident inquiry in respect of death
  - ii at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury

which may be the subject of indemnity under this Section.

## Limit of Indemnity

The Insurer's liability for all compensation, costs and expenses payable (including interest thereon and the costs of defending a Health and Safety legislation prosecution) in respect of any one claim or series of claims arising out of one occurrence shall not exceed the Limit of Indemnity stated in the Schedule.

## B Indemnity to Other Parties

If the Insured so request the Insurer will indemnify the following parties

- a any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each party was individually named as the Insured in this Section

- c any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

- i each such party shall observe fulfil and be subject to the terms and conditions of this Section in so far as they can apply
- ii the Insurer's liability to the Insured and all parties indemnified shall not exceed in total the Limit of Indemnity specified in the Schedule.

## C Health and Safety at Work – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of

- a costs and expenses incurred with the Insurer's written consent
- b costs and expenses of the prosecution awarded against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i the proceedings relate to the health, safety or welfare of any Employee
- ii the Insurer shall have the conduct and control of all the said proceedings and appeals

The Insurer will not pay for

- a fines or penalties of any kind
- b proceedings or appeals in respect of any deliberate act or omission
- c costs or expenses insured by any other policy.

## D Unsatisfied Court Judgements

If a judgement for compensation or costs in respect of Injury sustained by any Employee arising out of and in the course of employment or engagement by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance

- a is obtained by such Employee in any court situate within the territories specified in Definition 4.A. against any person or corporate body domiciled or operating from premises within such territories and
- b remains wholly or partly unsatisfied six months after the date of such judgement

the Insurer will if the Insured so request pay to the said Employee the amount of any such compensation and costs to the extent that they remain unsatisfied

Provided that

- i there is no appeal outstanding
- ii the Employee shall have assigned the judgement to the Insurer
- iii this Section was shown in the Schedule at the time of the Injury.

## E Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required:

- i any director or partner £250
- ii any Employee £150

## Exclusions

This Section does not cover

- 1 Liability in respect of Injury to any Employee arising out of the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security.
- 2 Liability in respect of Injury to any Employee who is working on, visiting or travelling to or from Offshore Installations.

## Section Conditions

### 1 Compulsory Insurance Legislation

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in the territories specified in Definition 4.A. but the Insured shall repay to the Insurer all sums paid by the Insurer which the Insurer would not have been liable to pay but for the provisions of such law.

### 2 Certificate of Employers' Liability

If this Policy or Section is cancelled any certificate of Employers' Liability insurance issued hereunder is similarly cancelled from the same date.

### 3 Other Insurances

The Insurer will not indemnify the Insured in respect of liability which is insured by or would but for the existence of this Section be insured by any other policy or section except in respect of any excess beyond the amount payable under such other policy or section or which would have been payable under such other policy or section had this Section not been effected.

### 4 Alteration

If at any time anything shall occur or be done which materially affects the risk insured the Insured shall give immediate notice in writing to the Insurer.

### 5 Discharge of Liability

The Insurer may pay to the Insured in the event of any one claim or series of claims arising out of one occurrence the specified Limit of Indemnity in respect thereof (after deducting therefrom any sums already paid) or any lesser amount for which the claim(s) can be settled and thereafter be under no further liability in respect of such claim or series of claims arising out of one occurrence, except for the amount of any costs and expenses incurred prior to the date of the payment.

# Property Owners Liability Section

## Definitions

### 1 Injury

- A Bodily injury, death, disease, illness, mental injury, mental anguish or nervous shock
- B invasion of the right of privacy, false arrest, false imprisonment, false eviction or malicious prosecution of any person.

### 2 Employee

- A any person under a contract of service or apprenticeship with the Insured
- B any of the following persons whilst working for the Insured in connection with the Business
  - i any labour master or labour only subcontractor or person supplied by him
  - ii any self-employed person providing labour only
  - iii any trainee or person undergoing work experience
  - iv any voluntary helper
  - v any person who is borrowed by or hired to the Insured.

### 3 Business

The Business specified in the Schedule conducted solely from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and including

- A the ownership, maintenance and repair of premises used in connection therewith
- B the provision and management of canteen, social, sports or welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured
- C the execution of private duties by Employees for any partner, director or senior official of the Insured.

### 4 Territorial Limits

- A Great Britain, Northern Ireland, the Isle of Man and the Channel Islands
- B any other member country of the European Union
- C elsewhere in the world in respect of Injury, loss or damage caused by or arising from
  - i non-manual activities of any partner, director or Employee of the Insured normally resident within the territories specified in Definition 4 A above and occurring during any journey or temporary visit
  - ii Products.

### 5 Products

Any goods or other property (including their containers, packaging, labelling and instructions for use) sold, supplied, delivered, installed, erected, repaired, altered, treated or tested by the Insured in connection with the Business and not in the charge or control of the Insured.

### 6 Pollution or Contamination

- A All pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
- B all Injury, loss or damage directly or indirectly caused by such pollution or contamination.

All Pollution or Contamination, which arises out of one incident, shall be deemed to have occurred at the time such incident takes place.

### 7 Offshore Installations

- A Any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- B any installation in the sea or tidal waters which is intended for the storage or recovery of gas
- C any pipe or system of pipes in the sea or tidal waters
- D any installation which is intended to provide accommodation for persons who work on or from the locations specified in Definition 7.A., 7.B. or 7.C. above.

## Cover

- A The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of accidental
  - a Injury to any person
  - b loss of or damage to material property
  - c nuisance, trespass, obstruction or interference with any right of way, light, air or wateroccurring within the Territorial Limits during the Period of Insurance in connection with the Business.

In addition the Insurer will pay costs and expenses incurred by the Insurer or with the written consent of the Insurer

- a in connection with the defence of any claim

- b for representation of the Insured
  - i at any coroner's inquest or fatal accident inquiry in respect of death
  - ii at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury, loss or damage which may be the subject of indemnity under this Section.

#### Limit of Indemnity

- A the Insurer's liability for all compensation (including interest thereon) and claimants' costs and expenses payable in respect of
  - i any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
  - ii all Injury, loss and damage occurring during any one Period of Insurance and caused by and arising from Products
  - iii all Pollution or Contamination which is deemed to have occurred during any one Period of Insurance
 shall not exceed the Limit of Indemnity stated in the Schedule.
- B In respect of all claims against the Insured made within the legal jurisdiction of the United States of America or Canada or any dependency or trust territory the Limit of Indemnity shall be inclusive of the amount of all
  - i claimants' costs and expenses
  - ii costs and expenses incurred by the Insurer or with the written consent of the Insurer in connection with the defence of such claims.

#### B Indemnity to Other Parties

If the Insured so request the Insurer will indemnify the following parties

- a any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each party were individually named as the Insured in this Section

- c any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

- i each such party shall observe fulfil and be subject to the terms and conditions of this Section in so far as they can apply
- ii the Insurer's liability to the Insured and all parties indemnified shall not exceed in total the Limit of Indemnity specified in the Schedule.

#### C Joint Insured – Cross Liabilities

If more than one party is named as the Insured this Section shall apply as though each were insured separately provided that the Insurer's liability to all parties indemnified shall not exceed in total the Limit of Indemnity shown in the Schedule.

#### D Overseas Personal Liability

The Business is extended to include personal activities (not connected with any gainful occupation or profession nor with the ownership or tenure of any land or building) of any partner, director or Employee of the Insured or family member of such partner, director or Employee normally resident within the territories specified in Definition 4.A. in the course of any journey or temporary visit to any other country made in connection with the Business.

#### E Motor Contingent Liability

The Insurer will indemnify the Insured in the terms of this Section against liability arising out of the use in connection with the Business of any vehicle not owned, provided or being driven by the Insured but this Section does not cover liability

- a in respect of loss of or damage to such vehicle
- b arising out of any such use in any country outside the European Union
- c incurred by any party other than the Insured
- d incurred by any party identified in paragraph B. (Indemnity to Other Parties) other than an Employee.

For the purpose of this cover Exclusion 1. (Injury to Employees) does not apply.

#### **F Health and Safety at Work – Legal Defence Costs**

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of

- a** costs and expenses incurred with the Insurer's written consent
- b** costs and expenses of the prosecution awarded against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i** the proceedings relate to the health, safety or welfare of any person other than an Employee
- ii** the Insurer shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a** fines or penalties of any kind
- b** proceedings or appeals in respect of any deliberate act or omission
- c** costs or expenses insured by any other insurance.

#### **G Data Protection Act**

The Insurer will indemnify the Insured and at the Insured's request any partner, director or Employee of the Insured against the sums which the Insured or any director, partner or Employee of the Insured become(s) legally liable to pay as compensation, under Section(s) 22 and/or 23 of the Data Protection Act 1984 as amended by the Data Protection Act 1998, for damage or distress caused in connection with the Business during the Period of Insurance provided that the Insured is

- i** a registered user in accordance with the terms of the Act
- ii** not in business as a computer bureau.

The total amount payable including all costs and expenses under this paragraph, in respect of all claims occurring during any one Period of Insurance, is limited to £250,000.

The Insurer will not pay for

- a** any damage or distress caused by any deliberate act or omission by the Insured the result of which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission
- b** any damage or distress caused by any act of fraud or dishonesty
- c** the costs and expenses of rectifying, rewriting or erasing data
- d** liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person
- e** the payment of fines or penalties.

#### **H Defective Premises Act 1972**

The Insurer will indemnify the Insured in the terms of this Section against liability incurred by the Insured under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises or land disposed of by the Insured.

Provided that this Extension does not cover

- a** the costs of rectifying any damage or defect in the premises or land disposed of
- b** liability for which the Insured is entitled to indemnity under any other insurance.

#### **I Consumer Protection and Food Safety Acts – Legal Defence Costs**

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of legal costs and expenses incurred with the written consent of the Insurer in connection with the defence of any criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under

- a** Part 2 of the Consumer Protection Act 1987

or

- b** Section(s) 7, 8, 14, and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that the Insurer shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a fines or penalties of any kind
- b proceedings or appeals in respect of any deliberate act or omission
- c costs or expenses insured by any other policy.

#### J Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required:

- i any director or partner £250
- ii any Employee £150

#### K Contractual Liability

In respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement, the indemnity provided by this Section shall only apply if the sole conduct and control of any claim is vested in the Insurer.

Provided that the Insurer shall not in any event provide indemnity

- a under Exclusion 9 a except as stated therein
- b in respect of liquidated damages or fines or damages imposed by or payable under any penalty clause.

#### L Legionellosis Liability

Exclusion 4 b shall not apply to any discharge, release, or escape of Legionella or other air-borne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like

Provided that

- a the Insurer will only indemnify the Insured
  - i in respect of claims arising from Pollution or Contamination which arise out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like first made in writing to the Insured during the Period of Insurance

or

- ii if the first notification of a circumstance which has caused or is alleged to have caused Injury or damage and can be reasonably expected to give rise to a claim arising from Pollution or Contamination which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like is notified to the Insurer during the Period of Insurance or within thirty (30) days after expiry of the same Period of Insurance
- b the liability of the Insurer under this Extension for all compensation (including interest thereon) and claimants costs' and expenses payable shall not exceed £1,000,000 and for all claims arising from Pollution or Contamination shall not exceed the Limit of Indemnity as stated in the Schedule
- c this Extension shall not apply to any claim arising from Pollution or Contamination which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like if before the Period of Insurance the Insured had become aware of circumstances which have given or may give rise to such Pollution or Contamination.

## Exclusions

This Section does not cover

### 1 Injury to Employees

Liability in respect of Injury to any Employee arising out of and in the course of the employment or engagement of such person by the Insured.

### 2 Work on Offshore Installations

Liability in respect of Injury, loss or damage arising in connection with work on or travel to or from Offshore Installations.

### 3 Fines, penalties, liquidated, punitive, exemplary or aggravated damages

Liability in respect of

- a fines, penalties or liquidated damages
- b punitive, exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages.

### 4 Pollution or Contamination

Liability in respect of

- a Pollution or Contamination occurring in the United States of America or Canada or any dependency or trust territory
- b Pollution or Contamination occurring elsewhere unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

### 5 Mechanically Propelled Vehicles

Liability arising out of the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (or trailer attached thereto) which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Exclusion shall not apply

- i while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
- ii in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle except where more specifically insured by any other policy.

### 6 Vessels or Craft

Liability arising out of the ownership, possession or use by or on behalf of the Insured of any vessel or craft designed to travel in, on or through water, air or space (other than hand-propelled watercraft).

### 7 Property in the charge or control of the Insured

Liability in respect of loss of or damage to any property belonging to or in the charge or control of the Insured other than

- a personal effects or vehicles of any partner, director or Employee of or visitor to the Insured
- b premises (and their contents) not belonging, leased, rented or hired to the Insured but temporarily in the charge of the Insured for the purpose of carrying out work
- c premises (including their fixtures and fittings) leased, rented or hired to the Insured but this Section does not cover liability attaching to the Insured solely under the terms of any tenancy or other agreement.

### 8 Damage to Goods Supplied

Liability in respect of

- a loss of or damage to any goods or other property sold, supplied, delivered, installed or erected by or on behalf of the Insured
- b all costs of or arising from the need for making good, removal, repair, rectification, replacement or recall of
  - i any such goods or property
  - ii any defective work executed by or on behalf of the Insured

except that **8 a** and **8 b i** above shall not apply to liability in respect of loss of or damage to the said goods or property if such loss or damage is caused by or arises from

- 1 any alteration, repair or servicing work executed
- 2 any other goods or property sold, supplied, delivered, installed or erected

by the Insured under a separate contract.

## 9 Products

In respect of Injury, loss or damage caused by or arising from Products

- a any liability which attaches to the Insured solely under the terms of an agreement other than
  - i under any warranty of goods implied by law
  - ii under any indemnity clause in any agreement between the Insured and any independent carrier in respect of Injury, loss or damage caused by Products entrusted to such carrier for transit by road, rail or waterway
- b any Product installed or incorporated in any craft designed to travel in or through air or space and which to the Insured's knowledge was intended to be installed or incorporated in any such craft
- c any claim made against the Insured in any country outside the European Union in which the Insured occupy premises or are represented by any resident Employee or holder of the Insured's power of attorney.

## 10 Advice and Design

Liability for Injury, loss or damage arising out of or in connection with advice, design, formula, specification, inspection, certification or testing provided or performed for a fee by or on behalf of the Insured other than where provided or performed in connection with any Product.

## 11 Contract Works and J.C.T. Clause 21.2.1

Liability in respect of loss of or damage to any property

- a comprising or to be incorporated in the contract works in respect of any contract undertaken by the Insured
- b against which the Insured are required to effect insurance under the terms of Clause 21.2.1 of the J.C.T. (R.I.B.A.) Conditions of Contract or of any other contract condition requiring insurance of a like kind.

## 12 Computer Date Recognition

Liability arising directly or indirectly from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, and whether occurring before, during or after the year 2000, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

- i correctly to recognise any date as its true calendar date
- ii to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- iii to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date.

## 13 Excess

The amount of any Excess specified in the Schedule.

## Section Conditions

### 1 Other Insurances

The Insurer will not indemnify the Insured in respect of liability which is insured by or would but for the existence of this Section be insured by any other policy or section except in respect of any excess beyond the amount payable under such other policy or section or which would have been payable under such other policy or section had this Section not been effected.

### 2 Alteration

If at any time anything shall occur or be done which materially affects the risk insured the Insured shall give immediate notice in writing to the Insurer.

### 3 Discharge of Liability

The Insurer may pay to the Insured in the event of any one claim or series of claims arising out of one occurrence the specified Limit of Indemnity in respect thereof (after deducting therefrom any sums already paid) or any lesser amount for which the claim(s) can be settled and thereafter be under no further liability in respect of such claim or series of claims arising out of one occurrence, except for the amount of any costs and expenses incurred prior to the date of the payment.

# Legal Expenses Insurance

## Important information

### Legal Advice

Property Owners Select policyholders have access to **Lawphone**. This helpline provides advice on any of **your** company's legal matters 24 hours a day, all year round. **We** may record the calls to protect **you**.

Call **Lawphone** on: **0870 241 4140** quoting **your master policy number 36043/36044/36045**.

### Employment claims

Please note **we** will only provide this cover if **you** discuss the dispute with **Lawphone** before **you** take any action and follow the advice given.

### How to make a claim

When **you** call **Lawphone**, please quote **master policy number 36043**. **You** will be asked for a brief summary of the problem, and these details will be passed to an advisor who will return **your** call. If you need to make a claim, **we** will arrange for a claim form to be sent to you. Please fill in the claim form and send to the Claims Department at:

#### Allianz Legal Protection

Redwood House  
Brotherswood Court  
Great Park Road  
Bradley Stoke  
Bristol BS32 4QW

**We** will contact **you** once **we** have received the claim form.

### Complaints

Our aim is to get it right, first time every time. If we make a mistake **we** will try to put it right promptly.

**We** will always confirm to **you** the receipt of your complaint within five working days and do **our** best to resolve the problem within four weeks. If **we** cannot **we** will let **you** know when an answer may be expected.

If **we** have not resolved the situation within eight weeks **we** will provide **you** with information about the Financial Ombudsman Service.

Should **you** wish to make a complaint then it should be directed to the Customer Satisfaction Manager at **our** address shown above.

Referral to the Financial Ombudsman Service does not affect your legal rights.

## Financial Services Compensation Scheme

Allianz contributes to the Financial Services Compensation Scheme (FSCS).

**You** may be entitled to compensation from the FSCS if **we** are unable to meet **our** liabilities. For compulsory insurance **you** may be entitled to compensation up to 100% of the claim. For all other types of insurance **you** may be entitled to compensation of up to £2,000 for the first part of the claim and 90% of the remainder of the claim. Further information about compensation scheme arrangements is available from the FSCS.

## The meaning of the words

If **we** explain what a word means, that word has the same meaning wherever it appears in **your** policy. These words are highlighted in bold throughout your policy.

## Your cover

**We** agree to cover **you** under the terms and conditions of this Section, as long as:

- the event giving rise to the claim happened within the territorial limit and within the period of insurance;
- the premium has been paid;
- the claim will be decided by a court within the territorial limit.
- the claim is not covered under any other insurance policy; and
- there is a reasonable chance of recovering damages or a successful defence or getting another remedy.

The contract between **you** and **us** is based on the proposal you have filled in.

## The following definitions apply to all sections

### We, Us, Our

Allianz Legal Protection

### You, Your

The person or organisation named in the schedule and any partners, directors and employees.

### Legal representative

The solicitor or other person, we appoint under this policy to represent you and protect your interests.

### Period of insurance

The period shown in the schedule.

## Costs

Under this policy, **we** will pay the following.

- The professional fees and expenses reasonably and properly charged by the **legal representative**, up to the standard rates set by the courts.
- **Your** opponent's (the other person or organisation in the case) costs which **you** are ordered to pay by a court or tribunal.

## The following definitions apply to Standard cover and Business Legal Expenses

### Territorial limit

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

### Territorial limit (for Personal Injury cover only)

Great Britain, Northern Ireland, the Channel Islands, the Isle of Man, Andorra, Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Gibraltar, Greece, Hungary, Italy, Liechtenstein, Luxembourg, Monaco, the Netherlands, Norway, Poland, Portugal, the Republic of Ireland, San Marino, Slovakia, Slovenia, Spain, Sweden, Switzerland and Turkey.

### Award

An unfair dismissal basic **award**, an unfair dismissal compensatory **award**, an unfair dismissal additional **award**.

### The property

The **property** owned by you and declared to **us**.

### The tenant

The person (or people) who rents the property from you.

### Tenancy agreement

The agreement under which **you** let **your property** to the tenant on a non-residential basis.

## 1 Standard cover

(where specified as being insured in the Schedule)

### Prosecution defence

#### What is covered under Prosecution defence

We will pay the costs of defending **your** legal rights (including making an appeal against your conviction or sentence) after any event which results in criminal proceedings being brought against **you** for an offence arising out of **your** business activities.

**We** will provide this cover as long as the criminal act **you** are accused of occurred during the period of insurance.

The most **we** will pay for all claims arising from one event is £50,000.

### What is not covered under Prosecution defence

**We** will not provide cover for the following.

- 1 Any pollution incident.
- 2 Any prosecution relating to owning, driving or using a motor vehicle.

## Property

### What is covered under Property

**We** will pay the costs for **you** to take legal action over a dispute relating to:

- physical damage caused to **your** business premises by another person or organisation;
- physical damage caused by another person or organisation to property which **you** own or are legally responsible for and which is in or on **your** business premises.

The most **we** will pay for all claims arising from one event is £50,000.

### What is not covered under Property

**We** will not provide cover for the following.

- 1 Property damage caused by mining or subsidence.
- 2 Property damage relating to driving or using a motor vehicle.

## 2 Business Legal Expenses

(where specified as being insured in the schedule)

### Employment contract

#### What is covered under Employment contract

**We** will pay the costs of defending **your** legal rights after any event which results in civil proceedings being brought against **you** by an employee over a dispute relating to a contract for permanent employment.

Once **we** have defended **your** legal rights, **we** will pay any award the court or tribunal orders **you** to pay.

**We** will provide this cover as long as **you** discuss the dispute with **Lawphone** before **you** take any action against any employee and follow the advice **you** are given.

The most **we** will pay for all claims arising from one event is £50,000, apart from Awards where the most **we** will pay for all claims arising from one event is £25,000.

#### What is not covered under Employment contract

**We** will not provide cover for the following.

- 1 Any dispute arising in the first three months of the date this policy starts.
- 2 Any dispute arising in the first six months of this policy with an employee **you** have given a verbal or written warning to in the six months leading up to the date this policy starts.
- 3 Any dispute over redundancy.
- 4 Any dispute if **you** have not followed the full disciplinary procedure set out in **your** contracts of employment.
- 5 Anything to do with sub contracting or contracts for services with anyone who is self-employed.
- 6 Any dispute with a company director unless the action is brought at an employment tribunal.
- 7 Any dispute where **you** are accused of constructive dismissal.

#### Commercial tenancy disputes

##### What is covered under Commercial tenancy disputes

**We** will pay the costs for you to take legal action over a dispute about your tenancy agreement.

The most **we** will pay for all claims arising from one event is £50,000.

##### What is not covered under Commercial tenancy disputes

**We** will not provide cover for disputes over rent, business rates or service charges.

#### Tax & VAT

##### What is covered under Tax & VAT

**We** will pay the costs for **you** to appeal against any terms and conditions put on **you** by the Inland Revenue or HM Customs and Excise after finishing an in-depth investigation into **your** most recent accounts for the following.

- **Your** PAYE tax arrangements.
- **Your** business tax arrangements.
- **Your** VAT arrangements.

**We** will provide this cover as long as:

- **you** have kept to the legal requirements for keeping your accounts and tax returns;
- **you** have made all account and tax returns within the time limits allowed; and
- **you** were VAT registered when the VAT offence **you** are accused of happened.

The most **we** will pay for all claims arising from one event is £25,000.

##### What is not covered under Tax & VAT

**We** will not provide cover for the following.

- 1 Any investigation into criminal activities **you** are accused of.
- 2 Representations during an in-depth investigation.
- 3 Investigations started before the start date of this policy.

#### Licence protection

##### What is covered under Licence protection

**We** will pay the costs of defending your legal rights after any event which results in a hearing about withdrawing, restricting or suspending **your** business licence.

The most **we** will pay for all claims arising from one event is £50,000.

##### What is not covered under Licence protection

**We** will not provide cover for the following.

- 1 Hearings arising out of a commercial decision by **you**.
- 2 **Your** first application for or standard renewal of **your** licence.
- 3 Any licence appeal relating to owning, driving or using a motor vehicle.
- 4 Anything to do with drugs offences.
- 5 Anything to do with under-age drinking.

##### What is not covered under Standard cover and Business

##### Legal Expenses

**We** will not provide cover for 10% of all costs **you** cannot get back at the end of the claim.

## Jury service

### What is covered under Jury service

If **you** have to go to court for jury service, **we** will pay **your** salary or wages that **you** cannot get back from the court.

The most **we** will pay is £100 a day for a maximum of 20 days.

## Personal injury

### What is covered under Personal injury

**We** will pay the costs of **you** taking legal action against another person as a result of an event which causes **your** death or bodily injury and which occurs in the territorial limits.

The most **we** will pay for all claims arising from one event is £50,000.

### What is not covered under Personal injury

**We** will not provide cover for the following.

- 1 Disputes between **you** and **your** employees.
- 2 Anything to do with driving a motor vehicle.

The following conditions apply to Standard cover and Business Legal Expenses

If **you** do not keep to the conditions **we** may cancel the policy, refuse any claim and withdraw from any current claims.

- 1 **You** must do the following.

Make **your** claim within six months from the date of the event which gave rise to the dispute.

- 2 **Your legal representative** must do the following

Tell **us** immediately if the other person or organisation in the case makes a payment into court or any offer to settle the matter.

## 3 Residential lettings

(where specified as being insured in the Schedule)

The following definitions apply to Residential lettings

### The agent

**Your** property letting or managing agent.

### The property

The property owned by **you** and declared to **us** and let to the tenant on a residential basis.

## Guarantor

The person (or people) guaranteeing to meet the tenant's obligations if he or she (or they) fail to.

## Rent

The amount the tenant must pay **you** or the agent, as set out in the tenancy agreement.

## Deposit

The amount the tenant pays to **you** or the agent to cover damage to the property, unpaid rent or any other liability of the tenant as set out in the tenancy agreement.

## Territorial limit

Great Britain

## Tenancy agreement

The agreement under which **you** let the property to the tenant. The agreement must be signed by **you** (or the agent) and the tenant and must be:

- an assured tenancy (under grounds 1 or 2 of schedule 2 of the Housing Act 1988 as updated and amended by the Housing Act 1996);
- an assured shorthold tenancy (within the meaning of the Housing Act 1988 as updated and amended by the Housing Act 1996);
- a short assured tenancy or assured tenancy (as defined in the Housing [Scotland] Act 1988 and any change to that act); or
- an agreement in which the tenant is a limited company or the rent is more than £25,000 a year.

## The tenant

The person (or people) who rents the property from **you**.

### What is covered under Residential Lettings

**We** will pay the costs of **you** taking the following action against the tenant after he or she has broken the tenancy agreement.

- Taking action to evict the tenant.
- Recovering rent owed by the tenant, including the cost of up to two enforcement actions.
- Action against the tenant if he or she has not kept the property in a good state of repair. The amount in dispute must always be greater than £250.

The most **we** will pay for all claims arising from one event is £25,000.

#### What is not covered under Residential Lettings

**We** will not provide cover for the following.

- 1 Any claim where the amount in dispute is under £250 at any time.
- 2 Any dispute which happens within 3 months of the start of this policy unless the tenancy agreement began after the policy started.
- 3 Any claim arising out of a contract **you** have with any person or organisation other than the tenant.
- 4 Any claim made more than 2 months following the event giving rise to the dispute.

### Conditions of Residential Lettings

If **you** do not keep to the conditions we may cancel the policy, refuse any claim and withdraw from any current claims.

- 1 **You must do the following.**
  - a Keep to all the conditions of your mortgage and tenancy agreement.
  - b Make your claim within 2 months of the event giving rise to the dispute.
  - c Make sure that **you** (or the agent) have the following from each tenant before the tenancy agreement begins.
    - One satisfactory financial or credit reference and one other satisfactory written reference.
    - A deposit of at least one month's rent.

If a guarantor is being used, we need these things from him or her.

- d Make sure that **you** (or the agent) do the following.
  - Prepare a comprehensive inventory of the contents and condition of the property. This inventory must be signed by **you** (or the agent) and the tenant.
  - Check the inventory against the contents and condition of the property, while the tenant is there, at the time the tenant leaves the property. If the tenant leaves without warning, **you** (or the agent) must check the inventory as soon as **you** (or the agent) find out the tenant has left.
  - Send letters at the following intervals to the tenant when rent is not paid:

- i within 7 days to find out why the rent has not been paid and to ask for payment; and
- ii after 14 days to demand payment of the rent and to tell the tenant that he or she risks losing the tenancy if the rent continues to be unpaid; and
- iii after 21 days to tell the tenant that legal action will be taken against him or her unless the rent arrears are paid within the next 7 days.

- e These are the minimum requirements on **you** (or the agent) and should be included in the usual credit control procedures used by **you** (or the agent).

#### 2 Your legal representative must do the following.

Tell us straightaway if the tenant makes a payment into court or any offer to settle the matter.

### What is not covered under any section

**We will not provide cover for the following.**

- 1 Any claim directly or indirectly caused by or resulting from any equipment (whoever owns it) failing to recognise, interpret or deal with the change to the year 2000 or any other date.
- 2 Any fines or penalties.
- 3 Any application for a judicial review.
- 4 Disputes relating to share rights.
- 5 Anything to do with franchise or distribution agreements.
- 6 Any claim to do with patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 7 Disputes between **you** and **us**, except as dealt with under condition 7.
- 8 Costs **we** have not agreed to in writing.
- 9 Any costs covered by another insurance policy
- 10 Costs **you** have paid directly to the legal representative or any other person without our permission.
- 11 Any VAT which **you** can recover from elsewhere.

12 Claims directly or indirectly caused by, contributed to or arising from:

- ionising radiation or radioactive contamination from nuclear fuel or from any nuclear waste arising from burning nuclear fuel; or
- the radioactive, toxic, explosive or other dangerous properties of any nuclear equipment or nuclear part of that equipment.

13 Claims arising from war, invasion, riot, revolution or a similar event.

14 Disputes or claims arising from anything you did deliberately or recklessly.

15 Any claim while:

- **you** are insolvent (or have committed an act of insolvency);
- **you** have made an arrangement with the people **you** owe money to;
- **you** have entered into a deed or arrangement;
- **you** are in liquidation;
- part or all of **your** affairs, assets or property are in the care or control of a receiver or a liquidator; or
- there is an administration order over **your** affairs, assets or property.

## Conditions of all sections

If **you** do not keep to the conditions **we** may cancel the policy, refuse any claim and withdraw from any current claims.

### 1 Change of risk

**You** must immediately tell **us** about any change in circumstance which might affect **our** liability. **You** must also give **us** any further information **we** need and pay the appropriate extra premium or receive a refund of premium (as the case may be).

### 2 You must do the following.

- a Give **us** written details of **your** claim along with any other supporting information **we** ask for.
- b Follow the legal representative's advice and provide any information he or she asks for.
- c Take every step to recover costs and pay them to **us**.
- d Get our written permission before making an appeal.

e Make sure that **your legal representative** keeps to condition 3 below.

### 3 Your legal representative must do the following.

- a Get **our** written permission before instructing a barrister or expert witness.
- b Tell **us** if, at any stage, there is no longer a reasonable chance of getting back damages or defending **your** claim successfully or another way of sorting the matter out.
- c Report the result of the claim to **us** when it is finished.

### 4 We will have the right to do the following

- a Take over and conduct, in **your** name, any claim or proceedings.
- b Settle a claim by paying the amount in dispute.
- c Appoint the **legal representative** in your name and on your behalf.
- d Have any legal bill audited or assessed.
- e Contact the **legal representative** at any time, and have access to all statements, opinions and reports.
- f End **your** cover if, during the course of the claim, **we** think there is no longer a reasonable chance of success. If **you** continue the claim and get a better settlement than **we** expected, **we** will pay **your** reasonable costs which you cannot get back from anywhere else.
- g At the end of the claim, settle the costs covered by this policy if **you** cannot get those costs back from anywhere else.

### 5 Your agreements with others

**We** will not have to keep to any agreement between **you** and the **legal representative** or **you** and any other person or organisation.

### 6 Choosing the legal representative

When **you** need to start legal proceedings **you** can choose the **legal representative**.

**You** must send his or her name and address to **us**. If we do not agree with **your** choice, **we** will settle the matter as set out under condition 7 below.

When choosing the **legal representative**, **you** must remember **your** duty to keep the cost of any claim or legal proceedings as low as possible.

## 7 Disputes

If there is a dispute between **you** and **us**, the matter may be referred to an arbitrator who **you** and **we** agree to. If **we** cannot agree on an arbitrator, one will be chosen by the President of the Law Society or by the Chairman of the Bar Council.

The person the arbitrator's decision goes against will pay all the costs of arbitration. If the decision is not clearly made against either **you** or **us**, the arbitrator will decide how **you** and **we** will share the costs of arbitration.

## 8 Cancellation

**You** or **we** may cancel the policy 30 days after giving notice by recorded delivery. Cancelling the policy will not affect your right to claim for an event which occurred before the date the policy was cancelled.

## 9 Notices

Every notice which needs to be given under this policy must be given in writing.

- a If **you** give **us** notice, **you** must send it to **our** head office.
- b If **we** give **you** notice, **we** must send it to your last known address.

## 10 Law Applicable

Unless **we** agree otherwise

- a the language of the Policy and all communications to it will be English; and
- b all aspects of the Policy including negotiation and performance are subject to English law and the decisions of English courts.

# Data Protection Act

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

We may need to collect data relating to Insured Persons, which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk or administering claims which may occur. Having signed the proposal form you have given your explicit consent to allow us to process your sensitive data.

We may share your details with other companies within the Allianz group of companies or pass them to third parties so that we may tell you by telephone, email or post of products and services which we think may be of interest you. If you do not want to know about these products and services, please write to: Customer Satisfaction Manager, Allianz Insurance plc, 57 Ladymead, Guildford, Surrey, GU1 1DB to let us know. Your details will not be kept for longer than is necessary.

Under the Data Protection Act 1998 individuals are entitled to a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager at the address above.

Personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.



[www.allianz.co.uk](http://www.allianz.co.uk)

Allianz Insurance plc. Registered in England number 84638  
Registered office. 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.

Allianz Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.  
Allianz Insurance is authorised and regulated by the Financial Services Authority. Our registration number is 121849.  
This can be checked by visiting the FSA website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234