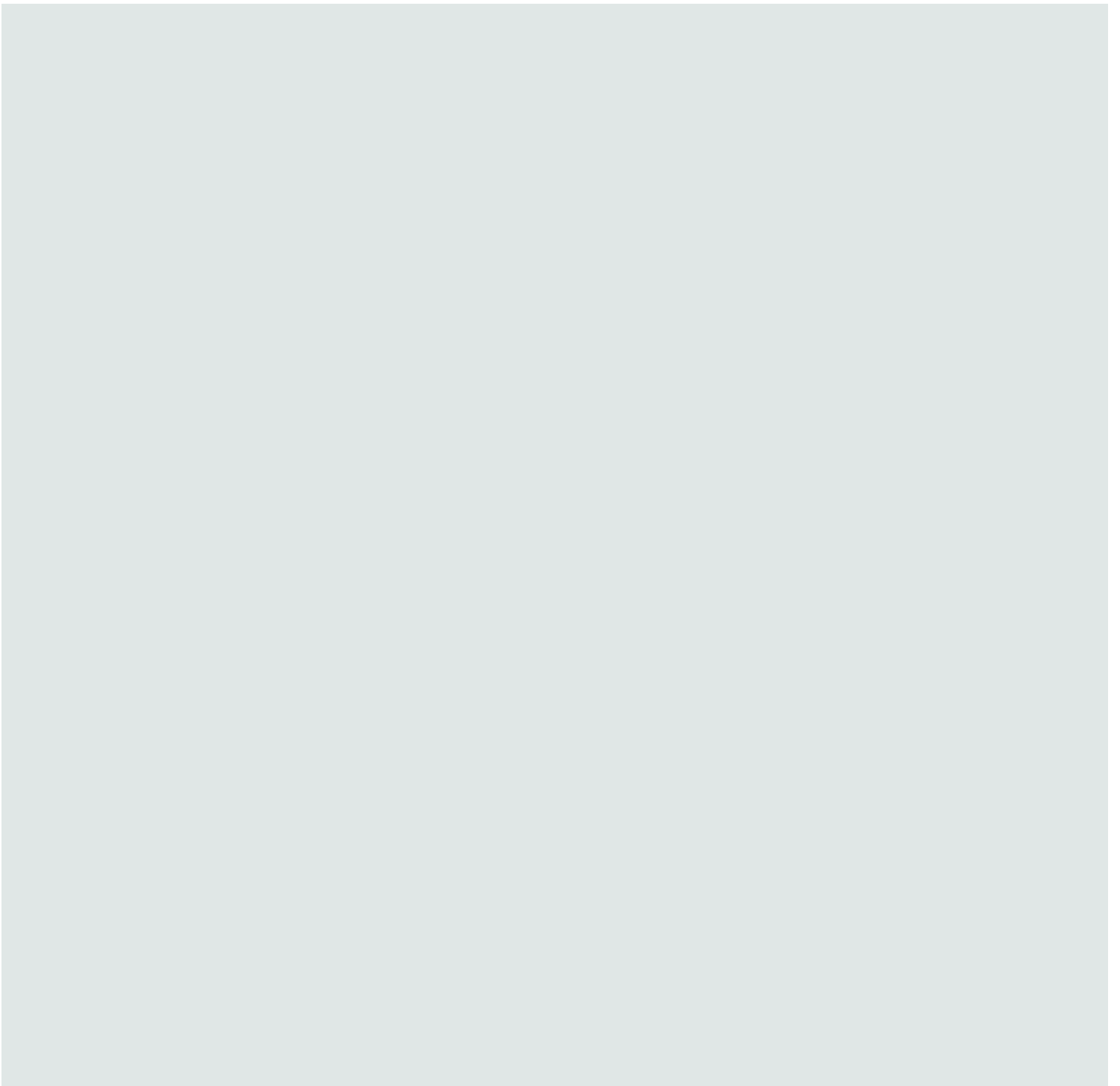


# Property Owners

## Policy document



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# A warm welcome to Zurich

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Thank **you** for taking out **your** Property Owners' insurance policy with **us** and welcome to Zurich Insurance plc.

Zurich Insurance plc is a member of a group of companies of which the ultimate parent company is Zurich Insurance Group Ltd, a company registered in Switzerland (Zurich). Zurich has a global network of subsidiaries and offices in North America and Europe as well as in Asia Pacific, Latin America and other markets. Founded in 1872, the Group is headquartered in Zurich, Switzerland. It employs approximately 60,000 people serving customers in more than 170 countries.

At Zurich **we** have **your** future in mind and look forward to working closely with **you**.

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

## Your Property Owners' policy

This policy is a contract between **you** and **us**.

This policy and any schedule, endorsement and certificate should be read as if they are one document.

**We** will insure **you** under those sections stated in the schedule during any period of insurance for which **we** have accepted **your** premium. **Our** liability will in no case exceed the amount of any sum insured or limit of indemnity stated in this policy, the schedule or any endorsement to this policy.

When **you** take out, renew and make changes to the cover provided by this policy, **you** must take reasonable care to ensure that **you** accurately answer any questions which **we** ask of **you** and that any information **you** give **us** is accurate. If **you** are taking out this policy for purposes which are mainly related to **your** trade, business or profession, **you** must also let **us** know about all facts which are material to **our** decision to provide **you** with insurance. Failure to meet these obligations could result in this policy being invalidated, a claim not being paid, or an additional premium being charged.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof.

Any heading in this policy is for ease of reference only and does not affect its interpretation.

### **Law applicable to this contract**

In the UK the law allows both **you** and **us** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon **your** address stated in the schedule. If there is any dispute as to which law applies it will be English law.

The parties agree to submit to the exclusive jurisdiction of the English courts.

This is a legal document and should be kept in a safe place.

Please read this policy and any schedule, endorsement and certificate carefully and if they do not meet **your** needs contact **us** or **your** broker or insurance intermediary.

### How we use personal information

We hold personal information in accordance with the Data Protection Act 1998. The information supplied to us by you may be held on computer and passed to other insurers and reinsurers for underwriting and claims purposes. You should show this to anyone whose personal information may be processed to administer this policy including handling any claims.

We use a variety of security technologies and procedures to help protect personal information from inappropriate use, and we will continue to revise procedures and implement additional security features as new technology becomes available.

We may use personal information for underwriting and claims purposes, statistical analysis, management information, market research, audits on the handling of claims, systems integrity testing, and risk management. We will only share personal information as described in this notice or where we are required or allowed to do so by law.

We may record or monitor telephone calls for security and regulatory purposes.

### Policy administration

In order to administer your insurance policy and any claims made against this policy we may share personal information provided to us with other companies within the Zurich Insurance Group and with business partners including companies inside and outside the European Economic Area. If we do transfer personal information including where we propose a change of underwriter we make sure that it is appropriately protected.

We may conduct searches about anyone whose personal information may be processed to administer this policy (including handling any claims) using publicly available sources. Examples are the edited electoral roll, county court judgments / Scottish decrees, bankruptcy registers and other public databases. This helps us assess applications for insurance, provide renewal quotations and check the accuracy of information. These searches may be recorded by credit reference agencies but they will not affect any credit standing.

### Claims history

When you tell us about an incident or claim we may pass information relating to it to the Claims and Underwriting Exchange Register (CUE), run by Insurance Database Services Ltd (IDSL) or other relevant database.

We and other insurers may search these databases when you apply for insurance, in the event of any incident or claim or at time of renewal to validate your claims history or that of any other person or property likely to be involved in the policy or claim.

This helps to check information provided and prevent fraudulent claims.

### Fraud prevention and detection

In order to prevent and detect fraud we may at any time:

- a) share information about you with other organisations including the police
- b) conduct searches using publicly available databases
- c) undertake credit searches
- d) check and share your details with fraud prevention and detection agencies.

If false or inaccurate information is provided and fraud is identified details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. We and other organisations may also access and use this information to prevent fraud and money laundering for example when:

- a) checking details on applications for credit and credit related or other facilities
- b) managing credit and credit related accounts or facilities
- c) recovering debt and tracing beneficiaries
- d) checking details on proposals and claims for all types of insurance
- e) checking details of job applicants and employees.

Please contact us if you want to receive details of the relevant fraud prevention agencies. We and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

### Data protection rights

Individuals have certain rights under the Data Protection Act 1998, including the right to ask for a copy of the information we hold about them. We may make a small charge for this. Individuals also have the right to ask us to correct their information if it is inaccurate.

If you want to know more about how we use personal information or have any data protection questions, please contact the Data Protection Officer, Zurich Insurance plc, 3000 Parkway, Whiteley, Fareham, Hants, PO15 7JZ.

# Definitions

Certain words in the policy have special meanings. These meanings are given below or defined at the beginning of the appropriate section or sub-section.

To help **you** identify these words in the policy **we** have printed them in **bold** throughout.

## Average

If, at the time of the damage, the sum insured is less than the full reinstatement value of the property insured the amount **we** will pay will be reduced in proportion to the amount of the underinsurance.

For the avoidance of doubt solely in respect of the application of **average** to any item under this policy clause c) iii) of General condition 1 will not apply.

## Bodily injury

Death, injury, illness or disease.

## Buildings

The buildings of the **premises** shown in the schedule comprising:

- i) landlords' fixtures and fittings
- ii) private garages, outbuildings, extensions, annexes, gangways, canopies, fixed signs, temporary buildings, conveniences, lamp posts and street furniture
- iii) walls, gates and fences
- iv) drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the **premises** and extending to the public mains, but only to the extent of **your** responsibility
- v) yards, car parks, roads, pavements, forecourts and similar surfaces all constructed of solid material
- vi) tenants' improvements if **you** are responsible and property comprising fixtures and fittings (but excluding moveable contents) formerly the property of tenants but relinquished to **you** at the time of surrender of the lease
- vii) **landlords' contents** as defined below, up to a limit of £25,000
- viii) fixed glass or polycarbonate substitutes including mirrors, fixed glass in furniture, plate glass tops, ceramic hobs, solar glass heating panels, double-glazed units, intruder alarm foils and fixed sanitaryware for which **you** are responsible.

## Business

The **business** shown in the schedule including:

- a) maintenance of property and **premises** owned or occupied by **you**
- b) the provision and management of canteen, social, sports and welfare organisations for the benefit of **your employees** and first aid, fire and ambulance services.

## Damage

Loss or damage.

## Employee

Any of the following people working for **you** in connection with **your business**:

- a) anyone who has entered into or works under a contract of service or apprenticeship with **you**
- b) any labour only subcontractor or anyone employed by them
- c) any self-employed person
- d) anyone who is engaged under a Work Experience Scheme or similar scheme
- e) anyone who is hired or borrowed by **you**.

## Excess

Where an excess is shown in the schedule, any section of this policy or any endorsement attached to the policy, the amount for which **you** will be responsible will be deducted from all claims for **damage** to material property after all other terms and conditions have been applied.

## Landlords' contents

Landlords' contents comprising:

furniture, furnishings, potted plants, trees and shrubs, statues, garden furniture, contents of fuel tanks, video, audio, building management systems and security equipment, and other similar property belonging to **you** or for which **you** are responsible.

## Premises

The **buildings** and the land within the boundaries belonging to them.

## We or us or our

Zurich Insurance plc.

## You or your

The person, people or the company shown in the schedule as the Insured.

# Section A – Material Damage

## Property insured

All in accordance with the schedule.

## Designation

For the purposes of determining where necessary the heading under which any property is insured, **we** agree to accept the designation under which the property has been entered in **your** books.

## The cover

The **buildings** are insured against **damage** caused by events in paragraphs 1-12.

- 1 Fire, lightning, explosion of boilers or gas used for domestic purposes only, or earthquake.
- 2 Explosion.

## What is not insured

**Damage** caused by or consisting of the bursting of a boiler, economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to **you** or under **your** control.

- 3 Theft or attempted theft.

## What is not insured

**Damage** caused by any person lawfully on the **premises**.

- 4 Riot or civil commotion, labour or political disturbances or vandals or malicious persons.

## What is not insured

**Damage** caused:

- by theft or attempted theft
- through confiscation, destruction or requisition by order of the Government or any Public Authority.

**Damage** resulting from stoppage of work.

- 5 Storm or Flood.

## What is not insured

**Damage**:

- caused by frost, subsidence, ground heave or landslip
- to gates and fences
- due to a change in the water table level.

- 6 Escape of water from fixed water apparatus.

**We** will also pay for **damage** to any fixed water apparatus caused by freezing or forcible or violent bursting.

- 7 Impact by aircraft or other aerial devices, any vehicle or articles falling from them or by animals.
- 8 Falling aerials, aerial fittings or masts.

## What is not insured

**Damage** arising from the erection, dismantling, repair or maintenance of such apparatus.

- 9 Leakage of fuel oil used solely for domestic purposes in connection with the buildings.
- 10 Leakage of beer from fixed tanks, pipes or apparatus.
- 11 Subsidence, ground heave or landslip. Provided that **you** must give **us** immediate notice in the event of building, demolition or excavation operations being commenced on any adjoining site. In such event **we** shall have the right to vary or cancel the cover provided by the policy for **damage** caused by subsidence, ground heave or landslip.

## What is not insured

**Damage**:

- caused by the settlement or movement of made up ground or by coastal or riverbank erosion
- occurring while the **buildings** or any part of the **buildings** is in the course of erection, demolition, structural alteration or structural repair
- caused by normal settlement or bedding down of new structures
- which originated prior to the inception of this policy

- 12 All other accidental **damage**.

## What is not insured

Any **damage** which is not insured under events 1-11 of section A.

**Damage** caused by or happening through:

- a) faulty or defective design materials handling or workmanship, inherent fault or defect, undiscovered defect, gradual deterioration or wear and tear. This shall not exclude subsequent accidental loss, destruction or **damage** resulting from another cause which is not otherwise excluded

- b) i) collapse or cracking of **buildings**
  - ii) corrosion, rust, change in temperature, dampness, wet or dry rot, shrinkage, evaporation, loss of weight, loss of any liquid by leakage of its container, moth, vermin, insects, marring or scratching
  - iii) change in colour, flavour, texture or finish
- but this shall not exclude such **damage** if resulting from a cause which is not otherwise excluded
- c) theft or attempted theft
  - d) acts of fraud or dishonesty
  - e) i) disappearance, unexplained or inventory shortage, misfiling or misplacing of information
  - ii) joint leakage, failure of welds, cracking, fracturing, collapse or over-heating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed pipes in connection therewith
- but this shall not exclude:
- a) such **damage** if resulting from a cause which is not otherwise excluded
  - b) subsequent **damage** if resulting from another cause which is not otherwise excluded
- f) subsidence, ground heave or landslip
  - g) any process of cleaning, repairing, restoring, cutting, preparation or fitting
  - h) wind, rain, hail, sleet, snow, flood or dust to moveable property in the open.

**Damage to:**

- a) property in transit
- b) property or structures in course of construction or erection and materials or supplies in connection with all such property.

**Trace and access**

In the event of **damage** by an event in paragraphs 6, 9 & 10 we will also pay for:

- costs and expenses incurred in locating the source of the **damage**
- costs and expenses incurred in repairing any **damage** caused in locating the source of the **damage**.

The most **we** will pay is 10% of the buildings sum insured up to a maximum of £25,000 any one occurrence.

**Additional costs**

**We** will pay the necessary and reasonable expenses that **you** incur in repairing or reinstating the **buildings** following **damage** insured under this section, namely:

- fees to architects, surveyors, consulting engineers and others
- the cost of clearing the site and making it and the **premises** safe
- the cost of complying with any government or local authority requirement following **damage** unless **you** were given notice of the requirement before the **damage**.

**We** will not pay:

- fees for preparing a claim under this section
- for the cost of undamaged parts of the buildings (except the foundations of the damaged parts)
- the cost of work stipulated in any notice already served upon **you**
- for costs or expenses incurred in removing debris other than from the **premises** and the area immediately adjacent
- for costs or expenses arising from pollution or contamination of property not insured by this policy.

**Settling claims**

**We** will pay the full cost of repair or reinstatement of the damaged part of the **buildings** provided that the work is done without delay or at our option **we** will arrange for the work to be carried out. However, **we** will take off an amount for wear and tear if the **buildings** are in a poor state of repair or decoration.

**We** will not pay for repair or reinstatement to a condition better or more extensive than the condition of the **buildings** prior to the loss.

**Average**

The sum insured under each item on **buildings** is separately subject to **average**.

**Limits**

The most **we** will pay for **damage** to any item, including any additional costs, is the sum insured applicable to that item.

### Automatic reinstatement of the sum insured

We will automatically reinstate the sum insured upon notification of a claim to us unless we give you written notice to the contrary.

Provided that you:

- pay the appropriate additional premium
- take immediate steps to carry out any amendments in the protection of the **buildings** we may require.

The most we will reinstate in any one period of insurance is the sum insured.

### Index linking

(This will only apply if shown in the schedule)

We will automatically adjust the sum insured in line with changes in suitable indices of cost. This adjustment will continue after any insured **damage** if the repairs or reinstatement are done without delay.

We will not charge any extra premium during the period of insurance but at the end of the period we will work out the renewal premium on the revised sum insured.

### Selling your buildings

If you are selling your building we will insure the buyer up to the date the contract is completed unless he has arranged his own insurance. The buyer must keep to the terms and conditions of the policy.

### Excess

The **excess** applicable under this section is shown in the schedule attached to the policy.

### Capital additions

The insurance we provide in this section includes:

- any newly acquired **buildings** in the United Kingdom that are not otherwise insured
- alterations, additions and improvements to **buildings**, but not for any increase in their value during the current period of insurance at any of the **premises** insured under the policy.

Provided that:

- The most we will pay at one situation is 10% of the total sum insured under section A up to a maximum of £1,000,000
- you must tell us as soon as possible of any extension of cover as detailed above and take out insurance cover from the date our liability commenced.

### Concern for welfare costs

We will pay costs incurred following **damage** to residential property caused by the police or persons acting under their control in gaining access to the **buildings** as a result of their concern for the welfare of the resident.

We will not pay:

- more than £5,000 any one claim and £15,000 in any one period of insurance
- for costs incurred following **damage** caused by the police in the course of criminal investigations.

### Deeds and documents

We will pay the cost of materials and clerical labour to rewrite deeds and documents relating to the ownership and/or management of the premises due to **damage** to the deeds and documents occurring at the **premises** or whilst held in safekeeping by a bank or solicitor.

We will not pay more than £500 any one claim.

### Drains and gutters

We will pay costs and expenses which you incur with our consent, to clean and/or clear drains and/or sewers and/or gutters (which you own or for which you are responsible).

### Exceptional measures

We will pay costs up to £25,000 which you incur with our consent in taking reasonable but exceptional measures to avoid or mitigate a valid claim under this section.

Provided that:

- i) the potential claim could not have been reasonably foreseen
- ii) the terms and conditions of this section will apply as if **damage** had occurred.

### Fire extinguishment and alarm resetting expenses

Following **damage** to the **buildings** insured by this policy, we will pay the necessary and reasonable expenses that you incur in:

- refilling fire extinguishing appliances
- recharging gas flooding systems
- replacing used sprinkler heads
- refilling sprinkler tanks where costs are metered
- resetting fire and intruder alarms and closed circuit television systems.



### Landscape gardens

With our agreement, we will pay the necessary and reasonable costs and expenses that you incur in making good destruction of or **damage** to landscaped gardens or grounds at the **premises** caused by:

- **damage** insured by this policy
- the emergency services while attending the **premises** to deal with an emergency caused by **damage** insured by this policy.

We will not pay for

- the cost of movement of soil other than as necessary for surface preparation
- the failure of trees, shrubs or turf to become established following replanting
- the failure of seed to germinate
- the first £1000 of any claim arising out of one event.

The most we will pay is 10% of the **buildings** sum insured up to a maximum of £10,000.

### Metered supplies

We will pay excess water, gas, electricity or other supply charges demanded from you by the supply authority following loss of metered supplies as a result of **damage** insured by this policy to fixed pipes, apparatus and tanks.

The most we will pay is £5,000 any one claim and £25,000 in any period of insurance.

### Mortgagees and lessors

If there is an increased risk of **damage** to the **premises** insured by this policy as a result of anything done by or not done by any mortgagor, leaseholder, lessee or occupier of the **premises**, we will not prejudice the interest of any mortgagee, freeholder or lessor.

Provided that:

- the increased risk is not known or authorised by any mortgagee, freeholder or lessor
- we are notified immediately such mortgagee, freeholder or lessor is aware of the increased risk
- you pay any appropriate additional premium.

### Non-invalidation

If there is an increased risk of **damage** as a result of any act, omission or alteration of which you are unaware, we will not invalidate the cover under the policy.

Provided that you:

- tell us as soon as you become aware of the increased risk
- pay any appropriate additional premium.

### Other interests

At your request, we will note the interest of Lessees, Freeholders, Mortgagees and Debenture Holders. You must tell us the names, nature and extent of such interests at the time of any **damage**.

### Other premises

We will pay for **damage** to landlord's contents insured under this policy whilst temporarily removed to any other **premises** occupied by you in Great Britain and Northern Ireland.

We will not pay for items more specifically insured.

The most we will pay is £2,500 any one occurrence.

### Property temporarily removed

We will pay for **damage** to property whilst temporarily removed for cleaning, renovation, repair or similar purposes by an event in paragraphs 1-12, provided that the property remains within Great Britain and Northern Ireland.

The most we will pay is 10% of the item's sum insured.

We will not pay for items more specifically insured.

### Removal of nests

We will pay the cost of removing wasps' or bees' nests from residential buildings.

We will not pay:

- i) more than £250 any one claim and £5,000 in any period of insurance
- ii) the costs of removing nests already in the buildings before the inception of this policy.

### Residential property

If a residential building or residential portion of a building is made uninhabitable or access to it is prevented by **damage** insured under this section, we will pay for:

- loss of **rent receivable** as defined in section B
- the reasonable additional costs of comparable accommodation until the building is inhabitable or accessible.

The most we will pay is 25% of the sum insured of the damaged **buildings** in any period of insurance.

### Theft of keys

We will pay for the necessary replacement of locks following the loss of keys to the **buildings** by theft from:

- the **buildings**
- the home of **you** or any authorised **employee**.

The most **we** will pay is £1,000.

### Tree felling and lopping

We will pay the cost of removing or lopping trees which are an immediate threat to the safety of life or property.

We will not pay:

- i) more than £500 any one claim and £2,500 in any period of insurance
- ii) legal or local authority costs involved in removing trees
- iii) costs incurred solely to comply with a Preservation Order.

### Tree removal

We will pay the cost of removing fallen trees or branches from the premises.

We will not pay:

- i) more than £500 any one claim and £2,500 in any period of insurance
- ii) unless the incident results from an insured peril.

### Unauthorised use of electricity gas oil or water

We will pay the cost of metered electricity, gas, oil or water for which **you** are legally responsible following its unauthorised use by persons taking possession, keeping possession or occupying the **premises** without **your** authority. Provided that all practical steps are taken to terminate the unauthorised use as soon as it is discovered.

The most **we** will pay is 10% of the buildings sum insured up to a maximum of £2,500.

### Upgrading sprinkler installations

We will pay the additional costs following **damage** to the automatic sprinkler installation at the **premises** caused by an event in paragraphs 1-12 where **we** require that on repair or reinstatement, the installation conforms to the Loss Prevention Council Rules for Automatic Sprinkler Installations current at the time.

The total amount payable under any item of the policy will not exceed its sum insured.

### Waiver of subrogation rights

In the event of a claim under this policy **we** will not take the benefit of **your** rights against:

- any Company standing in the relation of Parent to Subsidiary or of Subsidiary to Parent to **you**
- any Company which is a Subsidiary to **your** own Parent Company (in each case within the meaning of the Companies Act or Companies (N.I.) Order, as appropriate, current at the time of the **damage**)
- any tenant or lessee in respect of **damage** where the premium has been paid by the tenant or lessee unless the **damage** is caused by a criminal or malicious act of the tenant or lessee.

### Workmen

Workmen are allowed to carry out repairs, minor additions and alterations or decorations at the **premises** without affecting the insurance provided by this policy.

### Supplementary Conditions

#### Firebreak doors and shutters

Where there are firebreak doors and shutters, which are within **your** custody and control **you** must

- maintain them in efficient working order
- keep them free from obstruction at all times.

#### Security requirements

Where **buildings** are occupied by **you** or the security of **buildings** is **yours** or **your** agents responsibility or in respect of any empty or disused **buildings** which **we** have been notified:

- any additional protection that is required by **us** shall be fitted without delay. All devices for the protection of the property shall be kept in good working order and put into full and effective operation whenever the **premises** is closed for **business** or left unattended
- all keys including duplicate keys relative to the security of the **premises** or to any safe or strong room containing property insured shall be removed from that portion of the **premises** whenever they are closed for **business** or left unattended.

### Unoccupied buildings

You must tell us immediately if any building or part of any building becomes unoccupied and pay an additional premium if required.

We shall have the right to change the terms and conditions of the policy and you must action any risk improvement measures that we may require.

Whenever a building or portion of a building becomes unoccupied:

- a) we shall not be liable for the first £500 of each claim for **damage** caused by malicious persons, (other than by fire or explosion) not acting on behalf of or in connection with any political organisation, storm, flood, escape of water or fuel oil, sprinkler leakage or theft
- b) it is a condition precedent to liability under this policy that you must take the following steps:
  - i) All mains services must be turned off (except electricity supply to maintain any fire or intruder alarm system) and the water system must be completely drained, or during the period 1 October to 1 April each year central heating systems must be kept working at a minimum temperature of five degrees C. Where sprinkler systems are installed and water supplies must be maintained, heating must be maintained at a minimum temperature of five degrees C.
  - ii) Unless we agree otherwise in writing, an inspection of the building internally and externally must be carried out every seven days (unless another period is agreed by us in writing) by an authorised representative and any waste removed.
  - iii) All letter boxes must be sealed up and steps taken to prevent accumulation of mail.
  - iv) **Buildings** must be secured against unlawful entry by closing and locking doors and windows and setting any security and alarm systems.

### European Community and public authorities including undamaged property

Subject to the following special conditions the insurance in respect of section A extends to include the additional costs necessarily incurred to comply with the stipulations of:

- A) European Community Legislation, or

- B) Building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority (after this referred to as 'the Stipulations') in respect of:
  - i) the property insured being damaged
  - ii) undamaged portions of the property insured
  - iii) any water supply equipment at the **premises** supplying the sprinkler installation in undamaged portions of the **premises**

Excluding:

- a) the cost incurred in complying with the stipulations:
  - i) for **damage** occurring prior to the granting of this extension
  - ii) for **damage** not insured by this policy
  - iii) under which notice has been given to you prior to the **damage** occurring
  - iv) for which there is an existing requirement which has to be implemented within a given period in respect of property entirely undamaged by any events in paragraphs 1-12.
- b) the additional cost that would have been required to reinstate the damaged property to a condition equal to its condition when new, had the necessity to comply with the stipulations not occurred
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner of the property by reason of compliance with the stipulations.

### Special conditions

- i) The work of reinstatement must be commenced and carried out without reasonable delay and must be completed within twelve months from the date of the **damage** or within a further period we agree (during the twelve months) and may be carried out at another site (if the stipulations allow) subject to our liability under this extension not being increased.
- ii) If our liability under any item of the policy apart from this extension is reduced by the application of any of the terms and conditions of the policy then our liability under this extension in respect of any item shall be reduced in the same proportion.

- iii) The most **we** will pay under any item of the policy in respect of this extension is:
  - a) for damaged property the sum insured
  - b) for undamaged portions of property (other than foundations), 20% of the sum insured for that item at the **premises** where the **damage** occurred.
- iv) The most **we** will pay for any item is the sum insured.
- v) Subject to the terms and conditions of the policy except where they have been varied by this extension.

#### **Inflation Protection – Day One Basis**

- A) Subject to the following special conditions the basis upon which the amount payable for buildings and contents is to be calculated, will be the reinstatement of the damaged property.

For this purpose 'reinstatement' means:

- a) the rebuilding or replacement of property lost or destroyed which, provided our liability is not increased may be carried out:
    - i) in any manner suitable to **your** requirements
    - ii) at another site
  - b) the repair or restoration of property damaged in either case to a condition equal but not better than its condition when new.
- B) The premium has been calculated on the Declared Value (shown in brackets below the sum insured) provided by **you**.

'Declared Value' means **your** assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph A(a) at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may subsequently operate) together with allowance for:

- a) the additional cost of reinstatement to comply with European and Public Authority requirements
- b) professional fees
- c) debris removal costs.

#### **Special conditions**

- a) At the start of each period of insurance **you** shall notify **us** of the Declared Value of the Property Insured by each of the said item(s). In the absence of such declaration the last amount declared by **you** shall be taken as the Declared Value for the next period of insurance.

- b) If at the time of **damage** the Declared Value is less than the full reinstatement value of the property insured (as defined in paragraph B above) at the inception of the period of insurance the amount **we** pay will not exceed that proportion which the Declared Value bears to such cost of reinstatement.
- c) The most **we** will pay for partially damaged property will be the amount **we** would have paid had the property been totally destroyed.
- d) **We** will not pay any amount in excess of the amount which would have been payable has this Supplementary Condition not applied:
  - i) unless reinstatement commences and proceeds without unreasonable delay
  - ii) until the cost of reinstatement has been incurred
  - iii) if at the time of **damage** to the property there is any other policy in force covering the same property which is not on the same basis of reinstatement
- e) all the terms and conditions of the policy will apply:
  - i) to any claim payable under the provisions of this Supplementary Condition except as they have been varied under this Supplementary Condition
  - ii) where claims are payable as if this Supplementary condition had not applied.

#### **Special Exclusion applying to section A**

**Damage** caused by pollution or contamination is not insured except (unless otherwise excluded) **damage** to the property insured caused by

- pollution or contamination which itself results from 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, bursting overflowing discharging or leaking of water tanks apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal
- any of the perils listed above which itself results from pollution or contamination
- sudden identifiable unintended and unexpected pollution or contamination which does not itself result from a defined peril.

**Your attention is drawn to the General Exclusions and Conditions of the policy.**

# Section B – Loss of rental income

## Definitions

Notes:

- a) To the extent that **you** are accountable to the tax authorities for Value Added tax, all terms in this policy shall be exclusive of such tax
- b) For the purposes of these definitions, any adjustment implemented in current cost accounting shall be disregarded.

## Rent receivable

The money paid or payable to **you** in the course of **your business** from the letting of the **premises**

## Estimated rent receivable

The amount declared by **you** to **us** as representing not less than the rent receivable which it is anticipated will be earned by the **business** during the financial year most nearly concurrent with the period of insurance (or proportionately increased multiples where the Maximum Indemnity Period exceeds 12 months).

## Standard rent receivable

The **rent receivable** during the period in the 12 months immediately before the date of the **damage** which corresponds with the **indemnity period** (or in the event of a claim arising from **damage** occurring before the completion of the first years trading of the **business** at the **premises**, the proportional equivalent of **rent receivable** from the date the **business** commenced to the date of the **damage**) which will be adjusted to provide for the trend of the business and for variations in or other circumstances affecting the **business** either before or after the **damage** or which would have affected the **business** had the **damage** not occurred. The adjusted figures shall represent as near as reasonably practicable the results which would have been obtained during the relative period after the **damage** had the **damage** not occurred.

## Indemnity period

The period beginning with the occurrence of the **damage**, and ending not later than the Maximum Indemnity Period stated in the schedule, during which the results of the **business** shall be affected in consequence of the **damage**.

## Professional accountant's charges

The reasonable charges payable by **you** to **your** professional accountant for producing details **we** require for a claim.

## The cover

### Rent receivable

**We** will pay for the loss of **rent receivable** occurring during the **indemnity period**, resulting from **damage** caused by any of the insured events 1-12 under section A to the **buildings** of the **premises** shown in the schedule provided that:

- at the time of the **damage** there shall be an insurance in force covering **your** interest in the property at the **premises** against **damage** and that payment shall have been made or liability admitted under that insurance
- **our** liability under this section shall not exceed 200% of the **estimated rent receivable** as shown in the schedule.

**We** will pay:

- 1) the difference between the rent receivable and the standard rent receivable during the indemnity period as a result of the **damage**
- 2) extra expenses that **you** necessarily and reasonably incur in order to minimise the interruption or interference with the business during the **indemnity period**
- 3) **professional accountants'** charges.

**We** will take into account in calculating the payment:

- any savings during the **indemnity period** from **business** expenses payable out of **rent receivable** which stop or are reduced as a result of the **damage**
- any **rent receivable** **you** earn from conducting the **business** elsewhere during the **indemnity period**.

### Cost of reletting

**We** will pay costs that **you** necessarily and reasonably incur in reletting the **premises** (including legal fees) solely in consequence of **damage**

### Loss of investment income on late payment

Following **damage** where **we** are making a payment for **rent receivable** and this is made later than **you** would normally expect to receive payment from the tenants **we** will pay a further sum representing the interest which **you** would normally have earned by placing the money in **your** normal deposit account on the earlier date.

### Buildings awaiting sale

If at the time of **damage** **you** have contracted to sell **your** interest in the **buildings** and the sale is cancelled or delayed solely due to the **damage** **we** will pay at **your** option either:

- a) the loss of rent from the date of the **damage** until the date the buildings would have been sold or the expiry of the **indemnity period** if earlier

or

- b) the loss in respect of interest from the date the **buildings** would have been sold if the **damage** had not occurred to the actual date of sale or with the expiry of the **indemnity period** if earlier. The loss in respect of interest being:
  - i) the actual interest incurred on capital borrowed (solely to offset in whole or in part the loss of use of the sale proceeds) for the purpose of financing the **business**
  - ii) the investment interest lost to **you** on any balance of the sale proceeds after deduction of any capital borrowed as provided for under paragraph b) i)

less any amount of **rent receivable**.

**We** will also pay with **our** consent additional expenditure being the expenditure necessarily and reasonably incurred during the indemnity period following the **damage** solely to avoid or minimise the loss payable under b) i) and ii) above.

### Payments on account

Payments on account may be made during the **indemnity period** if required by **you** subject to any necessary adjustment at the end of the **indemnity period**.

### Renewal

**You** will provide to **us** prior to each renewal the **estimated rent receivable** for the financial year most nearly concurrent with the ensuing year of insurance.

### Capital additions rent receivable

**We** will pay for loss of **rent** for:

- any newly acquired or newly erected **buildings** or alterations, additions or extensions to buildings covered under section A, that is not otherwise insured.

Provided that:

- the most **we** will pay at one situation is 10% of the sum insured under this section up to a maximum of £100,000 during any one period of insurance
- **you** must tell **us** as soon as possible of any extension of cover as detailed above and take out insurance cover from the date **our** liability commenced.

### Automatic reinstatement of the sum insured

**We** will automatically reinstate the sum insured upon notification of a claim to **us** unless **we** give **you** written notice to the contrary.

Provided that **you**:

- pay the appropriate additional premium
- take immediate steps to carry out any amendments in the protection of the **buildings** **we** may require.

The most **we** will reinstate in any one period of insurance is the sum insured.

### Waiver of subrogation rights

In the event of a claim under this policy **we** will not take the benefit of **your** rights against:

- any Company standing in the relation of Parent to Subsidiary or of Subsidiary to Parent to **you**
- any Company which is a Subsidiary to **your** own Parent Company (in each case within the meaning of the Companies Act or Companies (N.I.) Order, as appropriate, current at the time of the **damage**)
- any tenant or lessee in respect of loss of **rent** unless the loss of rent is caused by a criminal or malicious act of the tenant or lessee.

## Extensions

### Prevention of access and public utilities

We will pay for the loss of **rent receivable** occurring during the **indemnity period**, resulting from **damage** caused by:

- 1) **damage** to property in the vicinity of the **premises** which shall prevent or hinder the use of or access to the **premises**

The most **we** will pay is 25% of the **estimated rent receivable** sum insured shown in the schedule

- 2) **damage** to property at any:
  - i) generating station or sub-station of the public electricity supplier
  - ii) land based premises of the public gas supplier or of any natural gas producer linked directly to them
  - iii) water works or pumping station of the public water supplier
  - iv) land based premises of the public telecommunications supplier

from which **you** obtain electricity, gas, water or telecommunications services all in Great Britain or Northern Ireland.

The most **we** will pay is 25% of the **estimated rent receivable** sum insured shown in the schedule.

### Special conditions applying to Section B

We will not pay if the **business** is permanently discontinued, wound up or carried on by a liquidator or receiver, unless **we** have agreed to do so.

It is a condition under this section that **you** must keep **your** books of account and other **business** books records containing customers accounts in fire resisting safes or fire resisting cabinets of at least two hours fire resistance or store such records elsewhere than at **your** offices.

### Special Exclusion applying to Section B

**Damage** caused by pollution or contamination is not insured except (unless otherwise excluded) **damage** to the property insured caused by:

- pollution or contamination which itself results from 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, bursting overflowing discharging or leaking of water tanks apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal
- any of the perils listed above which itself results from pollution or contamination
- sudden identifiable unintended and unexpected pollution or contamination which does not itself result from a defined peril.

Your attention is drawn to the **General Exclusions and Conditions of the policy**.

# Section C – Property Owners’ Liability

## Definitions

### Business

For the purposes of section C the **business** shall include:

- private work carried out by any **employees** for **you** or any of **your** directors or executives
- participation in exhibitions.

### Products

Any commodities or goods or anything (including packaging, containers and labels) sold, supplied, hired out, constructed, erected, installed, treated, repaired, services, processed, stored, handled, transported or disposed of by **you** or on **your** behalf or any structure constructed, erected or installed or contract work executed by **you** or on **your** behalf in the course of **your business**.

### Public Liability

All sums which **you** shall become legally liable to pay as compensation for:

- accidental **bodily injury** to any person
- accidental **damage** to material property
- accidental obstruction, accidental trespass, accidental nuisance or accidental interference with pedestrian, road, rail, air or waterborne traffic
- wrongful arrest or false imprisonment

occurring during the period of insurance within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with **your business**.

### What is not insured

Any liability:

- from accidental **bodily injury** sustained by any **employee** or director in the course of the employment by **you** in connection with the **business**
- arising from professional advice given by **you** for a fee or in circumstances where a fee would normally be charged
- for **damage** to property which belongs to **you** or is held in trust by **you** or borrowed, rented, leased or hired for use by **you**.

This shall not apply to:

- i) personal property (including vehicles and their contents) of **your** visitors, directors or **employees**
- ii) **buildings** or their contents temporarily occupied by **you** for the purpose of carrying out work

iii) **premises** rented, hired, leased or lent to **you** unless the liability attaches solely because of a contract or agreement.

- for **damage** to that part of any property upon which **you** or **your** servant or agent has been working, where the **damage** is a direct result of such work
- for liquidated damages, fines or penalties which attach solely because of a contract or agreement
- arising from the ownership, possession or use of any mechanically propelled vehicle or mobile plant by **you** or on **your** behalf:
  - i) which is licensed for road use
  - ii) for which compulsory motor insurance is required
  - iii) which is more specifically insured.

This shall not apply to:

liability which **you** incur in respect of **bodily injury** or **damage** during the loading or unloading of any mechanically propelled vehicles or mobile plant or the bringing or taking away of a load from that vehicle, provided **you** are not entitled to indemnity under any other policy

- arising out of manual work from the **premises** other than collection or delivery by **you** or any of **your** employees
- arising from the ownership, possession or use by **you** or on **your** behalf of:
  - i) craft designed to travel through air or space
  - ii) hovercraft or watercraft other than barges, motor launches and non- powered craft used on inland waterways

- arising from **products** after they have ceased to be in **your** custody or control

This shall not apply to food or beverages for consumption on **your premises** or at any other **premises** where **you** are carrying on **your business**

- arising out of programming or for loss of information or the provision of wrong information on, in or from computer disks, tapes or other data recording equipment
- for any Associated or Subsidiary Company of **yours** or Branch Office or Representative of **yours** with Power of Attorney outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man



- aggravated, exemplary, vindictive or punitive damages awarded by any Court of law outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- loss, cost or expense directly or indirectly caused by, or contributed to or arising out of any asbestos, asbestos fibres or any derivatives of asbestos including any product containing any asbestos, asbestos fibres or derivatives
- the first £250 of compensation payable for **damage** to material property for any one occurrence or all occurrences of a series arising out of one original cause.

#### Limit of liability

The most **we** will pay for all claims made for any one occurrence or all occurrences of a series out of one original cause is as stated in the schedule. **We** will also pay all legal costs awarded to any claimant or incurred in defending any claim that is contested with **our** consent.

#### Products liability

All sums which **you** shall become legally liable to pay as compensation for:

- accidental death of or accidental **bodily injury** to any person
- accidental **damage** to material property

occurring anywhere in the world during any period of insurance in connection with products supplied in or from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and caused by products.

#### What is not insured

Any liability:

- for **bodily injury** or disease sustained by any employee arising out of and in the course of the employment by **you** in connection with **your business**
- for replacing, reinstating, rectifying, repairing, recalling or guaranteeing the performance of any **products**
- arising from any **products** which at the time of the contract of sale or supply are knowingly:
  - i) sold or supplied for use in craft designed to travel through air or space
  - ii) exported to the United States of America or Canada

- arising from any **products** in **your** custody or control
- for liquidated damages, fines or penalties which attach solely because of a contract or agreement
- arising from professional advice given by **you** for a fee or in circumstances where a fee would normally be charged
- arising out of programming or for loss of information or the provision of wrong information on, in or from computer disks, tapes or other data recording equipment
- for any Associated or Subsidiary Company of **yours** or Branch Office or Representative of **yours** with Power of Attorney outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- aggravated, exemplary, vindictive or punitive damages awarded by any Court of law outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- loss, cost or expense directly or indirectly caused by, or contributed to or arising out of any asbestos, asbestos fibres or any derivatives of asbestos including any product containing any asbestos, asbestos fibres or derivatives.

#### Limit of liability

The most **we** will pay for any one period of insurance is as stated in the schedule. **We** will also pay all legal costs awarded to any claimant or incurred in defending any claim that is contested with **our** consent.

#### Extensions to Section C

Additional benefit

**We** will pay the costs incurred with **our** consent for:

- i) representation at any Coroner's Inquest or Fatal Inquiry in respect of any death
- ii) defending in any Court Summary Jurisdiction any proceedings in respect of any act or omission causing or relating to any event

which may be the subject of indemnity under this section.

#### Personal representatives

In the event of **your** death the indemnity provided under this policy will extend to cover **your** personal representative for any liability **you** had previously incurred provided that they keep to the terms and conditions of the policy.

### Indemnity to directors and employees

If the following people have a claim made against them for which **you** would be insured by this section, **we** will pay for any amounts for which they are legally liable.

- any **employee** or director
- any officer, member or **employee** of **your** social, sports or welfare organisations or first aid or medical arrangements (but excluding medical practitioners) fire or ambulance services.

Provided that:

- **you** request **us** to do so
- such people shall keep to the terms, conditions and limitations of this policy.

### Indemnity to principle

In the event of any claim for which **you** would be entitled to receive indemnity under this section being brought or made against any Public or Local Authority or other Principle **we** will indemnify the said Public or Local Authority or other Principle against such claim and/or any costs, charges and expenses for such claim.

### Cross liabilities

Where this policy is in joint names of more than one party **we** will deal with any claim as though a separate policy had been issued to each of them.

### Data Protection Act

**We** will pay all sums **you** become legally liable to pay under Section 13 of the Data Protection Act 1998 in accordance with personal data held by **you**.

### What is not insured

- Fines or penalties.
- The cost of replacing, reinstating, rectifying or erasing any personal data.

### Motor contingent liability

All sums which **you** and **you** alone shall become legally liable to pay as compensation for:

- accidental death of or accidental **bodily injury** to any person
- accidental **damage** to material property arising out of the use of any motor vehicle being used in connection with **your business**.

### What is not insured

Any liability:

- arising from the use of a motor vehicle which **you** own or provide
- arising from a motor vehicle driven by **you**
- for **damage** to the vehicles or goods carried in them
- arising while the vehicle is being driven by any person who, to **your** knowledge, does not hold a driving licence unless that person has held one and is not disqualified from holding one
- arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- attaching to any person other than **you**.

### Health and Safety at Work etc. Act 1974 – legal defence costs

**We** will pay, at **your** request, all legal fees and expenses incurred in the defence of any criminal proceedings brought against **you** or one of **your** employees or directors for a breach of the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978, including legal costs and expenses incurred with **our** consent in an appeal against conviction.

### What is not insured

- Fines and penalties.

### Defective Premises Act 1972

**Your** legal liability under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any **premises** which have been disposed of by **you**.

Provided that **you** have no other more specific insurance in force.

### What is not insured

- The cost of remedying any defect or alleged defect in the **premises**.

### Consumer Protection Act 1987 and Food Safety Act 1990 – legal defence costs

**We** will, at **your** request, pay all legal expenses or fees reasonably incurred in defending any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 or Food Safety Act 1990 including costs and expenses incurred with **our** consent in an appeal against conviction.

Provided that:

- the alleged breach occurs during the period of insurance
- the criminal proceedings relate to an offence committed in the course of **your business**
- the proceedings are brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- **we** have sole conduct and control of all claims
- **you** or any **employee** shall tell **us** immediately if any summons or other process is served upon **you** or any **employee** and of any event that may give rise to proceedings against such people.

The most **we** will pay is £25,000.

#### What is not insured

- Legal fees or expenses where **you** or **your employee** are insured by another policy.
- Legal fees or expenses where proceedings are for any deliberate or intentional criminal act or omission by **you** or any **employee**.
- Legal costs and expenses which **you** or any **employee** may be ordered to pay by a court of criminal jurisdiction for any deliberate or intentional criminal act or omission of **you** or any **employee**.
- Fines or penalties.
- The cost of any investigation or enquiry other than a solicitor's investigation restricted to criminal proceedings as defined in this sub-section.

#### Court attendance costs

**We** will pay **you** the rates shown below if any such people are required to attend court as a witness at **our** request, in connection with a claim for which insurance is provided under this section:

- a) **you** or **your** partner or director £250 per day
- b) any **employee** £100 per day.

#### Libel and slander

**We** will pay all costs **you** become legally liable to pay as compensation for any act of libel or slander committed or uttered in good faith by **you** in the course of **your business** occurring during the period of insurance.

Provided that:

- this will apply solely to **your** in-house and trade publications
- the most **we** will pay is £250,000 in any one period of insurance.

#### Public liability during visits abroad

The Public liability cover applies to non-manual work carried out during temporary visits anywhere in the world in connection with **your business** by **you**, any **employee** or director normally resident in and travelling from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

#### All the extensions to the Public liability and Products liability cover are subject to the following:

- **we** shall not be liable under these extensions unless **we** have the sole conduct and control of all claims
- these extensions shall not apply to any liability which is insured under any other policy
- the most **we** will pay will not increase and **we** will not pay more than stated
- these extensions are subject to the terms, limitations and conditions of the policy

#### Clauses applying to Section C – Property Owners' Liability

##### Pollution or contamination

Liability arising from Pollution or Contamination is not insured unless caused by a sudden identifiable unintended incident which takes place in its entirety at a specific time and place during the period of insurance.

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

The most **we** will pay for all claims arising from Pollution or Contamination which is deemed to have occurred during the period of insurance is as shown in the schedule. Provided that the most **we** will pay will not increase and **we** will not pay more than the limit stated in the schedule.

For the purpose of this condition ' Pollution or Contamination' shall mean:

- all Pollution or Contamination of **buildings** or other structures or of water or land or the atmosphere and
- all **damage** or **bodily injury** or indirectly caused by such Pollution or Contamination.

### Legionella extension

The Pollution and Contamination clause above will not apply to any discharge, release or escape of Legionella or other airborne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like.

All Pollution and Contamination which arises out of any discharge, release or escape of Legionella or other airborne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like shall be deemed to have occurred on the date that **you** first become aware of circumstances which have given rise to such Pollution or Contamination.

This policy shall not apply to any claim arising from Pollution or Contamination which arises from 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 current period of insurance **you** had become aware of circumstances which have or may give rise to such Pollution or Contamination.

For the purpose of this extension such 'Pollution or Contamination' shall mean:

- all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and
- all **damage** or **bodily injury** directly or indirectly caused by such Pollution or Contamination.

**You** must give notice in writing to **us** immediately **you** become aware of circumstances which have given or may give rise to a claim under this extension.

### Use of heat

It is a condition precedent to the indemnity granted by this section that the following precautions are complied with whenever the use or application of heat (as defined below) is used elsewhere than on **your** own **premises**.

- a) By means of electric oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers
  - all combustible material shall be cleared from the immediate area or shall be fully protected by overlapping sheets or screens of non combustible materials

- at least two adequate and appropriate portable fire extinguishers, in proper working order, must be kept in the immediate area of the work being undertaken and used immediately smoke or smouldering or flames are detected
- a thorough examination must be made in the vicinity of the work approximately one hour after the completion of each period of work and immediate steps taken to extinguish any smouldering or flames discovered
- blow lamps and blow torches must be filled in the open and must not be lit until immediately before use and must be extinguished immediately after use
- a person must be appointed by **you** to act as an observer to watch for signs of smoke or smouldering or flames. This does not apply to the application of heat is by means of blow lamps, blow torches, hot air guns or hot air stripper

b) use of asphalt, bitumen, tar, pitch or lead heaters

- the heating must be carried out in the open in a vessel designed for the purposes and if carried out on a roof, the vessel must be placed on a non-combustible heat insulating base.

### Discharge of liability

**We** may free ourselves from any further liability by paying to **you** or on **your** behalf the maximum sum payable under the public or products liability section or should any payments have been made, the balance of such maximum sum.

**We** shall also pay law costs incurred prior to the date of such payment.

If the sum payable for any claim or claims made against **you** is greater than the maximum sum payable **you** shall pay the extra amount. **You** shall also pay such proportion of the law costs as the extra amounts bears to the total sum payable for such claim or claims.

**Your attention is drawn to the General Exclusions and Conditions of the policy.**

## Section D – Employers' Liability

### What is insured

Your legal liability for **bodily injury** sustained by any **employee** which arises out of and in the course of the employment by **you** in connection with **your business**.

We will pay:

- all sums **you** become legally liable to pay for any claim for damages settled or defended with **our** consent
- claimant's costs and expenses
- all costs and expenses **you** incur with **our** consent in defending any claim for damages
- solicitors' fees **you** incur with **our** consent for:
  - a) representation at any Coroners' Inquest or Fatal Inquiry into death
  - b) defending in any Court of Summary Jurisdiction any proceedings for any act or omission causing or relating to any one event.

Provided that the **bodily injury** is caused:

- during the period of insurance
- within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands or to employees employed in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and temporarily engaged elsewhere.

### What is not insured

Any Liability:

- for **bodily injury** or disease sustained by any **employee**:
  - i) on any offshore installation or support or accommodation vessel for any offshore installation or
  - ii) in transit to from or between any offshore installation or support or accommodation vessel
- for which compulsory motor insurance or security is required under either of the following:
  - i) the Road Traffic act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992
  - ii) the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other Compulsory Road Traffic Legislation.

### Extensions to Section D

#### Indemnity to principle

In the event of any claim for which **you** would be entitled to receive indemnity under this section being brought or made against any Public or Local Authority or other Principle **we** will indemnify the said Public or Local Authority or other Principle against such claim and/or any costs, charges and expenses for such claim.

#### Indemnity to directors and employees

If the following people have a claim made against them for which **you** would be insured by this section, **we** will pay for any amounts for which they are legally liable.

- any **employee** or director
- any officer, member or **employee** of **your** social, sports or welfare organisations or first aid or medical arrangements (but excluding medical practitioners) fire or ambulance services.

Provided that:

- **you** request **us** to do so
- such people shall keep to the terms, conditions and limitations of this policy.

#### Private work

Private work carried out by any **employee** for **you** or any of **your** directors.

#### Health and Safety at Work etc. Act 1974

All legal fees or expenses reasonably incurred by the solicitors engaged with **our** consent to act for, or on behalf of, any of **your employees** or directors to defend a criminal charge brought under:

- i) section 36 or 37 of the Health and Safety at Work etc. Act 1974 for an offence as defined in Section 33 of that Act
- ii) article 34 of the Health and Safety at Work Act (Northern Ireland) Order 1978 for an offence as defined in Article 31 of that order occurring during the period of insurance and arising out of their employment by **you** in connection with **your business**

Provided that:

- this extension shall apply only to proceedings brought within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands

- the **employee** tells us immediately if any summons or other legal process is served upon him and of any event that may give rise to legal proceedings against him.

#### What is not insured

- Legal fees and expenses relating to the charge if the charge concerns any deliberate or intentional criminal act or omission by **your employee**.
- Any fines or penalties.
- Any part of the cost of any investigation or inquiry other than a solicitor's investigation restricted to the charge.

#### Unsatisfied court Judgments

If any **employee** or his personal representative obtains a judgment for damages for **bodily injury** against any Company or individual operating from premises within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and that judgment remains unpaid for more than six months **we** will pay to the **employee** or his personal representatives, at **your** request, the amount of any unpaid damages and awarded costs.

Provided that:

- the bodily injury:
  - i) is caused during the period of insurance
  - ii) arises out of and in the course of his employment in **your business**
- there is no appeal outstanding
- if any payment is made under this extension the **employee** or his personal representative shall assign the judgement to **us**.

#### Court attendance costs

**We** will pay **you** the rates shown below if any such people are required to attend court as a witness at **our** request, in connection with a claim for which insurance is provided under this section:

- a) **you** or **your** partner or director £250 per day
- b) any **employee** £100 per day.

#### Injury to partner or proprietor

The definition of **employee** is extended to include any partner or proprietor named in the schedule in respect of **bodily injury**.

Provided that:

- the **bodily injury** is sustained in the course of **your business**
- the **bodily injury** is caused by another partner or **employee** working for **you** in connection with **your business**
- the partner or proprietor has a valid right of action against the party responsible for the **bodily injury**.

#### Limit of liability

The most **we** will pay is £10,000,000 for any one claim against **you** or by **you** or series of claims against **you** or by **you** arising out of one cause.

This amount shall be inclusive of:

- i) all legal costs and other expenses incurred by any claimant or claimants
- ii) all legal costs and other expenses incurred in defending any claim or claims.

Where **we** agree to indemnify more than one party then nothing in this policy shall increase **our** liability to pay any amount in respect of one claim or series of claims in excess of the amount stated above.

#### What is not insured

**All the extensions to the Employers' liability cover are subject to the following:**

- **We** shall not be liable under these extensions unless **we** have the sole conduct and control of all claims.
- These extensions shall not apply to any liability which is insured under any other policy.
- The most **we** will pay will not increase and **we** will not pay more than stated.
- These extensions are subject to the terms, limitations and conditions of the policy.

**Your attention is drawn to the General Exclusions and Conditions of the policy.**

# General exclusions

## Applicable to all insurances other than Employers' liability

The policy does not cover:

- 1 **Damage** arising from pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
- 2 Any expense, consequential loss, legal liability, or **damage** to any property directly or indirectly arising from:
  - ionising radiation or contamination by radioactivity from any nuclear fuel or from antinuclear waste from the combustion of nuclear fuel
  - the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component
- 3 Any event arising from war, invasion, act of foreign enemy, hostilities, (whether war is declared or not) civil war, rebellion, revolution, insurrection, military force or coup.
- 4 Loss, **damage**, cost or expense directly or indirectly caused by, contributed to, resulting from, or arising out of or in connection with:
  - 1) any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:
    - i) involves violence against one or more persons; or
    - ii) involves **damage** to property; or
    - iii) endangers life other than that of the person committing the action; or
    - iv) creates a risk to health or safety of the public or a section of the public; or
    - v) is designed to interfere with or to disrupt an electronic system

- 2) any action in controlling, preventing, suppressing, retaliating against, or responding to any act, or preparation in respect of action, or threat of action described in (1) above.

In any action or suit or other proceedings where **we** allege that by reason of this EXCLUSION cover is not provided under this policy, the burden of proving that cover is provided under this policy shall be upon **you**.

## Northern Ireland exclusion

This policy does not cover **damage** to any property in Northern Ireland or loss resulting from such **damage** arising from riot civil or political disturbances and (except in respect of **damage** by fire or explosion) labour disturbances.

- 5 **Damage** to any electrical plant or appliance caused by its own:
  - over-running
  - short-circuiting
  - excessive pressure
  - self heating.

This exclusion shall not apply where fire spreads to cause **damage** to other plant or appliances or other property insured.

- 6 The policy does not cover:
  - i) loss, destruction or **damage**
  - ii) consequential loss, additional expenditure or extra expenses
  - iii) legal liability
  - iv) other fees costs disbursements awards or other expenses of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:
    - a) the way in which any DATA PROCESSING SYSTEM responds to or deals with or fails to respond to or fails to deal with any true calendar date

- b) any DATA PROCESSING SYSTEM responding to or dealing in any way with:
  - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
  - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such DATA PROCESSING SYSTEM is the property of **you** or not and whether operating before or after the year 2000

but in respect of all insurances other than Public Liability or Products Liability or Contractors' Joint Indemnity or Legal Expenses this shall not exclude subsequent loss destruction or **damage** or consequential loss, additional expenditure or extra expenses (not otherwise excluded) which itself results from a DEFINED PERIL otherwise covered by this policy.

#### **Definitions**

For the purpose of this exclusion the following special meanings shall apply:

'DATA PROCESSING SYSTEM' shall mean any computer or data processing equipment or media or microchip or integrated circuit or any similar device or any computer software or computer firmware.

'DEFINED PERILS' shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, theft or attempted theft, earthquake, subterranean fire, storm, tempest, flood, escape of water from any tank apparatus or pipe, impact by any vehicle or by goods falling therefrom or animal.

Subject otherwise to the terms, conditions and limitations of the policy.



# General conditions

In the following conditions the word **you** also includes any other person insured under the policy.

- 1 a) At inception and renewal of this policy and also whenever changes are made to it at **your** request **you** must:
    - i) where **you** have taken out this policy for purposes which are wholly or mainly related to **your** trade, business or profession, disclose to **us** all material facts in a clear and accessible manner and not misrepresent any material facts, and
    - ii) where **you** have taken out this policy for purposes which are wholly or mainly unrelated to **your** trade, business or profession, take reasonable care not to misrepresent any material facts.
  - b) If **you** do not comply with clause a) of this condition **we** may:
    - i) avoid this policy which means that **we** will treat it as if it had never existed and refuse all claims where any non-disclosure or misrepresentation by **you** is proven by **us** to be deliberate or reckless in which case **we** will not return the premium paid by **you**; and
    - ii) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred.
  - c) If **you** do not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless this policy may be affected in one or more of the following ways depending on what **we** would have done if **we** had known about the facts which **you** failed to disclose or misrepresented:
    - i) if **we** would not have provided **you** with any cover **you** will have the option to:
      - 1) avoid the policy which means that **we** will treat it as if it had never existed and repay the premium paid; and
      - 2) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred
    - ii) if **we** would have applied different terms to the cover **we** will have the option to treat this policy as if those different terms apply. **We** may recover any payments made by **us** on claims which have already been paid to the extent that such claims would not have been payable had such additional terms been applied
    - iii) if **we** would have charged **you** a higher premium for providing the cover **we** will charge **you** the additional premium which **you** must pay in full.
  - d) Where this policy provides cover for any person other than **you** and that person would if they had taken out such cover in their own name have done so for purposes wholly or mainly unconnected with their trade, business or profession **we** will not invoke the remedies which might otherwise have been available to **us** under this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular insured person other than **you**.

Provided always that if the person concerned or **you** acting on their behalf makes a careless misrepresentation of fact **we** may invoke the remedies available to **us** under this condition as against that particular person as if a separate insurance contract had been issued to them leaving the remainder of the policy unaffected.
- 2 **You** will take all reasonable steps to protect the property, prevent accidents and comply with laws, bye laws or regulations and take reasonable care in the selection and supervision of **employees**.
  - 3 **You** must notify **us** as soon as possible during the period of insurance if there is any change in circumstances or to the material facts previously disclosed by **you** to **us** or stated as material facts by **us** to **you** which increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change **we** will be entitled to vary the premium and terms for the rest of the period of insurance. If the changes make the risk unacceptable to **us** then **we** are under no obligation to agree to make them and may no longer be able to provide **you** with cover.

If **you** do not notify **us** of any such change **we** may exercise one or more of the options described in clauses c) i), ii) and iii) of General condition 1 but only with effect from the date of the change in circumstances or material facts.

- 4 If **you** or anyone acting on **your** behalf:
- a) makes a fraudulent or exaggerated claim under this policy; or
  - b) uses fraudulent means or devices including the submission of false or forged documents in support of a claim whether or not the claim is itself genuine; or
  - c) makes a false statement in support of a claim whether or not the claim is itself genuine; or
  - d) submits a claim under this policy for loss or damage which **you** or anyone acting on **your** behalf or in connivance with **you** deliberately caused; or
  - e) realises after submitting what **you** reasonably believed was a genuine claim under this policy and then fails to tell **us** that **you** have not suffered any loss or damage; or
  - f) suppresses information which **you** know would otherwise enable **us** to refuse to pay a claim under this policy

**we** will be entitled to refuse to pay the whole of the claim and recover any sums that **we** have already paid in respect of the claim.

**We** may also notify **you** that **we** will be treating this policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If **we** terminate this policy under this condition **you** will have no cover under this policy from the date of termination and not be entitled to any refund of premium.

If any fraud is perpetrated by or on behalf of an insured person and not on behalf of **you** this condition should be read as if it applies only to that insured person's claim and references to this policy should be read as if they were references to the cover effected for that person alone and not to the policy as a whole.

- 5 **We** have the right to cancel this policy or any section, or part of it, by giving 14 days notice in writing by registered letter to **your** last known address.
6. If **you** decide **you** do not want to accept the policy, or any subsequent renewal of it, please tell **us** (or **your** broker or insurance intermediary) within 14 days of receiving the policy or renewal notice. **We** may, at **our** discretion, charge **you** for the time **you** have been on cover, including insurance premium tax.

If this policy is cancelled at any other time **we** will charge **you** on a pro rata basis for the time **we** have been on cover subject to a minimum premium of £50 plus insurance premium tax (IPT).

**We** will not refund any premium if **we** have paid a claim or one is outstanding when the policy is cancelled. Where a claim is submitted after the policy has been cancelled **we** will deduct the amount of any premium returned to **you** following the cancellation from any claim payment **we** may make to **you**. If **you** are paying by instalments and **you** have made a claim **you** must still pay **us** the balance of the full annual premium. If **you** do not do this **we** may take the balance of any outstanding premium from any claim payment **we** are making to **you** subject to the Consumer Credit Act 1974 if it applies.

- 7 If **we** admit liability for a claim but there is a dispute as to the amount to be paid, the dispute will be referred to an arbitrator. The arbitrator will be appointed jointly by **you** and **us** in accordance with the law at the time. **You** may not take any legal action against **us** over the dispute before the arbitrator has reached a decision.
- 8 If **you** die **we** will insure **your** legal personal representatives for any liability **you** had previously incurred under the policy provided that they keep to the terms of the policy.
- 9 **You** must repay **us** any amounts which **we** are required by compulsory insurance legislation to pay out under this policy to the extent that **we** would not otherwise have been liable to make such payments on account of a breach of any of the terms or conditions of this policy.

- 10 Reference to the payment of premium includes payment by monthly instalments. If **you** pay by this method the policy remains an annual contract and the date of the payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 (if applicable) the credit agreement and the policy will be cancelled immediately.
- 11 If **you** pay the premium to **us** using our Direct Debit instalment scheme, **we** will have the right (which **we** may choose not to exercise) to renew the policy each year and continue to collect premiums using this method. **We** may vary the terms of the policy (including the premium) at renewal. If **you** decide that **you** do not want **us** to renew the policy, provided **you** tell **us** (or **your** insurance intermediary) before the next renewal date, **we** will not renew it.
- 12 Notwithstanding any other terms of this policy **we** will be deemed not to provide cover nor will **we** make any payment or provide any service or benefit to **you** or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of **yours** would violate any applicable trade or economic sanctions law or regulation.

# Claims conditions

- 1 Upon learning of any circumstances likely to give risk to a claim **you** must:
  - tell **us** as soon as reasonably possible and give **us** all the assistance **we** may reasonably require
  - as soon as is reasonably possible, tell the police if the **damage** is by theft or attempted theft or by riot or civil labour or political disturbances or vandals or malicious people
  - immediately send to **us** any writ or summons issued against **you**
  - supply, at **your** own expense, full details of the claim in writing including any supporting evidence and information that **we** require within the following periods:
    - i) seven days for **damage** by riot or civil, labour or political disturbances or vandals or malicious people
    - ii) 30 days after the expiry of the indemnity period under section B – Loss of rental income
    - iii) 30 days after any other damage, interruption or **bodily injury**
  - take action to minimise the **damage** and to avoid interruption or interference with the **business** and to prevent further injury or **damage**.
- 2 **We** shall have the right to settle a claim by:
  - the payment of money
  - reinstatement or replacement of the property lost or damaged
  - repair of the property lost or damaged.

If **we** decide upon reinstatement, replacement or repair **we** shall do so in a reasonable manner but not necessarily to its exact previous condition or appearance.

**We** shall not spend on any one item, more than its sum insured.
- 3 **We** have the right to the salvage of any insured property.
- 4 **You** must not admit, deny, negotiate or settle any claim without **our** written consent.
- 5 If at the time of the claim there is any other policy covering the same property or occurrences insured by this policy **we** will be liable only for **our** proportionate share. If any other such policy has a provision preventing it from contributing in like manner then **our** share of the claim shall be limited to the proportion that the sum insured bears to the value of the property insured.
- 6 **We** are entitled to:
  - take the benefit of **your** rights against another person before or after **we** have paid a claim
  - take over the defence or settlement of a claim against **you** by another person.
- 7 **We** have the right to enter the **buildings** where the **damage** has happened and to take and keep any of the property insured and to deal with salvage in a reasonable manner.

# Our complaints procedure

## Our commitment to customer service

We value the opportunity to look into any concerns you may have with the service we have provided and we are committed to handling all complaints fairly, consistently and promptly.

## Who to contact in the first instance

Many concerns can be resolved straight away therefore in the first instance please get in touch with your usual contact at Zurich or your broker or insurance intermediary as they will generally be able to provide you with an immediate response to your satisfaction.

Contact details will be provided on correspondence that we or our representatives have sent you.

If we cannot resolve your complaint straight away we will aim to resolve your concerns as soon as possible and we will keep you informed of progress while our enquiries are continuing.

The majority of complaints we receive are resolved within four weeks of receipt.

## The Financial Ombudsman Service (ombudsman)

If we are unable to resolve your complaint to your satisfaction within eight weeks or if you remain dissatisfied following receipt of our final response letter you may be able to ask the ombudsman to formally review your case. You must contact the ombudsman within six months of our final response.

The ombudsman contact details are as follows:

Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR

You can telephone for free on:

08000 234 567 for people phoning from a "fixed line"  
(for example a landline at home)

0300 123 9 123 for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

or e-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

This is a free and impartial service and you are entitled to contact the ombudsman at any stage of your complaint.

The ombudsman can help with most complaints if you are:

- a consumer
- a business employing fewer than 10 persons that has an annual turnover or balance sheet that does not exceed €2 million
- a charity with an annual turnover of less than £1 million
- a trustee of a trust with a net asset value of less than £1 million.

If you are unsure whether the ombudsman will consider your complaint or for more information please contact the ombudsman directly, or visit <http://www.financial-ombudsman.org.uk>

## The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS) which means that you may be entitled to compensation if we are unable to meet our obligations to you. Further information is available on [www.fscs.org.uk](http://www.fscs.org.uk) or by contacting the FSCS directly on 0800 678 1100.



#### Zurich Insurance plc

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UK Branch registered in England and Wales Registration No. BR7985.

UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ.

Zurich Insurance plc is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority. Details about the extent of our regulation by the Financial Conduct Authority are available from us on request. These details can be checked on the FCA's Financial

Services Register via their website [www.fca.org.uk](http://www.fca.org.uk) or by contacting them on 0800 111 6768.

Our FCA Firm Reference Number is 203093.

Communications may be monitored or recorded to improve our service and for security and regulatory purposes.

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