



Optima Property Owners

Policy Wording

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To make a claim, call **0345 122 3283**
Please save this number to your mobile phone

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* This is an optional extension so cover is only provided where shown as operative on the schedule.

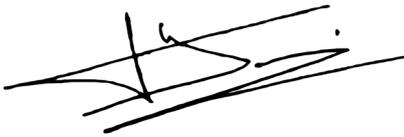
Optima Property Owners Policy

This **policy** is a contract of insurance between **you** and **us** by which **we** agree to cover **you** in respect of the risks set out in the sections and sub-sections of this **policy** as shown on the **schedule**, subject to the terms, conditions and exclusions of this **policy** and in consideration of **you** paying or agreeing to pay the premium.

This **policy** is made up of a number of documents which must be read together. **You** should read carefully all documents that **we** have provided and contact **your agent** immediately if this **policy** does not meet **your** needs.

This **policy** has been signed for and on behalf of **us**.

Signed

A handwritten signature in black ink, appearing to read 'François-Xavier Boisseau', written over a horizontal line.

François-Xavier Boisseau - CEO, Insurance
Ageas Insurance Limited

Important Notice

You have a duty to make a fair presentation of all material facts and circumstances to **us**. Providing **us** with inaccurate information or failing to tell **us** of anything which may increase the risk may invalidate this **policy** or lead to claims not being paid or being paid in part only.

To assist **your** understanding of which facts and circumstances are material to **us**, here are some key examples:

- **Who you are** - the legal entity that owns the **business**
- **Business status** - e.g. sole proprietor, partnership, limited company, residents' management company, trustees etc
- **Business premises** - construction type, nature of occupancy and also the rebuilding or replacement values applicable to the **property**
- **Personal and business history** - the previous history relating to proprietors, **partners** or **directors** or their business e.g. previous bankruptcies, company liquidations, convictions, claims etc.

Other material facts will be shown on the statement of fact or proposal form. If **you** are in any doubt or require clarification of what must be declared to **us** please discuss this with **your agent**.

This **policy** does not cover maintenance of **your property**. That means **we** will not cover the cost of wear and tear or routine maintenance. **We** expect **you** to properly maintain **your property**, but the cost of this remains **your** responsibility. **You** have a duty to keep **your property** safe, secure and in good repair, and take all practical steps to avoid loss or damage.

You should also take all reasonable care to prevent accidents or **injury**. In particular **you** should:

- keep all work equipment and premises in good and safe condition
- exercise care in the selection and management of **employees**
- comply with all statutory obligations and regulations imposed by any authority.

How to make a claim

If **you** need to make a claim under the Legal Expenses Section, **your** claim will be handled by **our** claims administrator who is:

ARAG plc
9 Whiteladies Road
Clifton
Bristol
BS8 1NN

You can request a claim form between 9.00am and 5.00pm Monday to Friday (except bank holidays) by telephoning **our** claims administrators on **0345 122 8930**.

You will be sent written acknowledgement within one working day of **your** claim form being received.

Within five working days of receiving all the information needed to assess the availability of cover under this section, **our** claims administrator will write to **you** either:

- confirming the appointment of a qualified representative who will promptly progress the claim for **you**, or
- if the claim is not covered, explaining in full why and whether **we** can assist in another way.

When a lawyer is appointed they will try to resolve **your** dispute without delay, arranging mediation whenever appropriate. Matters cannot always be resolved quickly particularly if the other side is slow to co-operate or a legal timetable is decided by the courts.

Do

- Notify **our** claims administrator as soon as possible of **your** claim.
- If **your** claim relates to rent arrears under the Landlords' Legal Guard Extension of cover **you** must first, when legally required, have issued the necessary notices informing **your** tenant of **your** intention to repossess the property.

Don't

- Instruct **your** own lawyer or accountant as **we** will not pay any costs incurred without **our** agreement.

For all other claims please contact **our** commercial claims department on **0345 122 3283**. The line is open 24 hours a day, 365 days a year. Alternatively, **you** can write to **us** at:

Commercial Claims Department
Ageas Insurance Limited
Ageas House
The Square
Gloucester Business Park
Brockworth
Gloucestershire
GL3 4FA

The claims handler will take full details of the claim and guide **you** through the next steps. Depending on the value and type of claim, the claims handler may seek help from a loss adjuster. Loss adjusters are independent claims experts who will visit **you** or a third party claimant to assist with the assessment of the claim.

Once **we** have been notified of a claim, **we** will tell **your agent**. The notification letter gives **your agent** the opportunity to become involved in the claim if either **you** or they wish. Once the claim has been settled, a letter is sent to **your agent** confirming settlement and the amounts paid.

Do

- Have details of **your** policy number ready when notifying **us**. **You** can find the policy number on the **schedule**.
- Report any incidence of theft or attempted theft or **damage** by malicious persons to the police immediately. **You** should obtain a crime reference number (not an incident reference number) from them if a crime has been committed.
- Carry out temporary repairs to **your property** to prevent further loss. Please retain all invoices for work carried out. Remember, if **you** do not have **your** own contractor, call Business Emergency Assistance on **0345 122 8935** to arrange for an approved contractor to effect repairs, any time of the day or night.
- Notify **us** of any claim or any incident which may lead to a claim as soon as possible. The sooner **we** are involved, the more opportunity **we** have to resolve the claim to **your** satisfaction. **You** must notify **us** within seven days if the incident relates to **damage** by riot, civil commotion, labour or political disturbances, malicious persons or theft or attempted theft.
- Ensure that any letter or notice received is sent to **us** immediately unanswered and unacknowledged.
- **You** must also send **us** unanswered and unacknowledged any written claim, writ, summons or other document relating to a claim and tell **us** of any pending prosecution, coroner's inquest or fatal accident inquiry and give **us** full details of any verbal claims made against **you**.
- Any **injury** to an **employee** should be reported to **us** regardless of whether a formal claim has been made against **you**. **We** can then decide whether **we** need to investigate or provide advice to **you**.

Don't

- Dispose of any evidence or damaged items - **we** may wish to see them.
- Wait for estimates to be obtained for work to be carried out before notifying **us** of a claim.
- Admit or deny responsibility for any incident involving **injury** to others or **damage** to their **property**.

Replacement service

We have a number of suppliers that can repair **your property** or replace items lost, stolen or damaged beyond repair. If one of **our** suppliers is used **you** will not need to obtain estimates and **we** will settle directly with the supplier. **You** will be responsible for payment of any applicable **excess**. **You** will be responsible for the payment of the Value Added Tax (VAT) element if **you** are VAT registered. **You** will be invoiced accordingly.

What we will need

If **your property** is lost, damaged or stolen, to consider the claim **we** will typically need:

- proof of ownership i.e. original purchase invoices, bank account statements or other similar evidence.
- any available photographs, taken before and after the event, showing the **property** would be useful.

If **you** are not using **our** replacement service **we** will also need:

- at least two estimates for the replacement of lost, damaged or stolen items
- if the item cannot be repaired, a letter or a report from an independent expert confirming this and the cause of the **damage**.

For some types of claim **we** may require evidence of:

- risk assessment and preventative measures in respect of **legionellosis**.

Legal and business helpline services

As an Ageas policyholder with a current **policy**, **you** are automatically entitled to the following helpline services.

To help **us** to check and improve **our** service standards calls are recorded.

Business legal advice - 0345 122 8931

This helpline is available 24 hours per day, 365 days a year to provide confidential legal advice over the phone on legal problems, including commercial and residential property letting, under the laws of the countries of **Europe**.

Uk tax advice - 0345 122 8931

This helpline is available between 9.00am and 5.00pm from Monday to Friday (except bank holidays) to provide confidential advice over the phone on any tax matters, under the laws of England, Scotland, Wales and Northern Ireland.

Crisis communication - 0345 322 0175

This helpline is available at any time to provide **you** with help in responding to negative publicity which could affect **your business**. **You** can access professional public relations support from **our** Crisis Communication experts. Where possible, initial advice for **you** to act upon will be provided over the telephone, but if **your** circumstances require professional work to be carried out in advance of any actual adverse publicity, such services are available on a consultancy basis and subject to **you** paying a fee. Where the Legal Expenses Section is operative and an event has led to actual publicity online, in print or in broadcast that could damage **your business**, **you** are insured against the costs of crisis communication services under Cover 11 – Crisis Communication when **you** use this helpline.

Redundancy approval - 0345 322 0176

This service is available between 9.00am and 5.00pm on weekdays (except bank holidays) to provide specialist advice if **you** are planning redundancies. This will assist **you** to implement a fair selection process and ensure that the redundancy notices are correctly served. If **you** opt to use this service a charge will be payable by **you**.

Confidential counselling helpline - 0345 122 8934

This helpline is available 24 hours per day, 365 days a year for an **employee** (including family members permanently living with them) needing confidential help and advice. **Our** qualified counsellors are available to provide telephone support on any matter that is causing **your employee** upset or anxiety, from personal problems to bereavement. Due to their sensitivity counselling calls are not recorded.

Business emergency assistance - 0345 122 8935

This helpline is available 24 hours per day, 365 days a year to arrange help straight away if an unforeseen emergency causes **damage** to the **premises** or creates a health and safety hazard. **We** will contact a suitable repairer or contractor and arrange assistance on **your** behalf. All costs of assistance provided are **your** responsibility, although if the **damage** is insured **you** will be able to make a claim for repair of the **damage**.

Legal services website (only available when the Legal Expenses Section is operative)

Register today at www.araglegal.co.uk and enter the voucher code **X1232KC79BB5**.

On registration **you** will be able to create a password to download legal documents that can assist **you** with the day to day issues that affect **your business**.

Please do not phone the helpline service numbers to report an insurance claim.

The helpline services are provided on **our** behalf but not by **us**. **We** take no responsibility for the advice or assistance given or for the failure of the helpline which may result from an exceptional event that is beyond the control of **us** and the helpline service provider.

What to do if you have a complaint

Should there ever be an occasion where **you** need to complain, **we** will sort this out as quickly and fairly as possible.

If **your** complaint is about the way this **policy** was sold to **you**, please contact **your agent** to report **your** complaint.

If **you** have a complaint regarding **your** claim, please telephone **us** on the number shown in **your** claims documentation.

Alternatively, for claims or any other type of complaint, **you** can also write to **us** at the address shown below or email **us** through **our** website at www.ageas.co.uk/complaints (please include **your** policy number and claim number if appropriate).

Customer Services Adviser
Ageas Insurance Limited
Ageas House
Hampshire Corporate Park
Templars Way
Eastleigh
Hampshire
SO53 3YA

We will try to resolve **your** complaint by the end of the third working day. If **we** are unable to do this, **we** will write to **you** within five working days to either:

- tell **you** what **we** have done to resolve the problem; or
- acknowledge **your** complaint and let **you** know when **you** can expect a full response.

We will also let **you** know who is dealing with the matter.

If **we** haven't been able to resolve **your** complaint within eight weeks, or **you** are not satisfied with the resolution, **you** may be able to refer **your** complaint to the Financial Ombudsman Service. If **you** receive either a summary resolution or a final response letter from **us** and **you** want to contact the Financial Ombudsman Service, **you** will need to do this within six months from the date of **our** final response.

You may refer **your** complaint to the Financial Ombudsman Service if **you** are a:

- business with an annual turnover of less than EUR 2 million and fewer than 10 employees
- charity with an annual turnover of less than £1 million
- trustee of a trust with a net asset value of less than £1 million.

The Financial Ombudsman Service is an independent organisation and will review **your** case. **You** can contact them on telephone number **0800 023 4567**. **You** can also write to them at the address below, however they will only consider **your** complaint once **you** have tried to resolve it with **us**.

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

www.financial-ombudsman.org.uk

Following the complaints procedure does not affect **your** rights to take legal proceedings.

Financial Services Compensation Scheme

Should **we** be unable to meet **our** liabilities **you** may be entitled to compensation from the Financial Services Compensation Scheme.

This depends on the type of insurance, the size of **your business** and the circumstances of the claim.

Further information is available from the Financial Services Compensation Scheme. Their telephone number is **0800 678 1100** or **020 7741 4100**. Alternatively, more information can be found at **www.fscs.org.uk**.

Privacy Notice

We are Ageas Insurance Limited and are part of the Ageas group of companies. The details provided here are a summary of how **we** collect, use, share, transfer and store **your** information. For **our** full Privacy Policy please visit **our** website www.ageas.co.uk/privacy-policy or contact **our** Data Protection Officer at: Ageas House, Hampshire Corporate Park, Templars Way, Eastleigh, Hampshire SO53 3YA or by emailing thedpo@ageas.co.uk.

We collect a variety of personal information about **you** including **your** name, address, contact details, date of birth, credit history, criminal offences, claims information and IP address (which is a unique number identifying **your** computer). Where relevant, **we** also collect special categories of personal information (which was previously known as sensitive personal information) such as details regarding **your** health.

Your agent will have their own uses for **your** personal data, please ask **your agent** if **you** would like more information about how they use **your** personal information.

Collecting your information

We also collect information from a number of different sources for example: publically available sources such as social media and networking sites; third party databases available to the insurance industry; firms, loss adjusters and/or suppliers appointed in the process of handling a claim.

Using your information

The main reason **we** collect **your** personal and/or special categories of personal information is because **we** need it to provide **you** with the appropriate insurance quotation, policy and price as well as manage **your policy** such as handling a claim or issuing documentation to **you**. **Our** assessment of **your** insurance application may involve an automated decision to determine whether **we** are able to provide **you** with a quotation and/or the price. If **you** object to this being done, then **we** will not be able to provide **you** with insurance.

We will also use **your** information where **we** feel there is a justifiable reason for doing so for example: to prevent and detect fraud and financial crime (which may include processes which profile **you**); collecting information regarding **your** past policies; carrying out research and analysis (including profiling); and recording and monitoring calls.

If **you** have given **us** such information about someone else, **you** would have confirmed that **you** have their permission to do so.

Sharing your information

We share **your** information with a number of different organisations which include, but are not limited to: other insurers; regulatory bodies; carefully selected third parties providing a service to **us** or on **our** behalf; fraud prevention and credit reference agencies and other companies, for example, when **we** are trialling their products and services which **we** think may improve **our** service to **you** or **our** business processes.

Unless required to by law, **we** would never share **your** personal data without the appropriate care and necessary safeguards being in place.

Keeping your information

We will only keep **your** information for as long as is necessary in providing **our** products and services to **you** and/or to fulfil **our** legal and regulatory obligations. Please refer to **our** full Privacy Policy for more information.

Use and storage of your information overseas

Your information may be transferred to, stored and processed outside the European Economic Area (EEA). **We** will not transfer **your** information outside the EEA unless it is to a country which is considered to have equivalent data protection laws or **we** have taken all reasonable steps to ensure the firm has suitable standards in place to protect **your** information.

Your rights

You have a number of rights in relation to the information **we** hold about **you**, these rights include but are not limited to: the right to a copy of **your** personal information **we** hold; object to the use of **your** personal information; withdraw any permission **you** have previously provided and complain to the Information Commissioner's Office at any time if **you** are not satisfied with **our** use of **your** information. For a full list of **your** rights please refer to the full Privacy Policy.

Please note that there are times when **we** will not be able to delete **your** information. This may be as a result of fulfilling **our** legal and regulatory obligations or where there is a minimum, statutory, period of time for which **we** have to keep **your** information. If **we** are unable to fulfil a request, **we** will always let **you** know **our** reasons.

Definitions

Words which appear in bold within this policy will have the meaning defined below.

Accident

Direct, physical **damage**:

- a consisting of electrical or mechanical **breakdown**, including rupture or bursting caused by centrifugal force
- b caused by an artificially generated electrical current, including electric arcing, which damages electrical devices, appliances or wires
- c caused by **explosion** or **collapse** of **covered equipment** operating under steam or other fluid pressure
- d caused by, or resulting from, any condition or event (not otherwise excluded) occurring inside hot water boilers or other water heating equipment, oil or water storage tanks or other **covered equipment** operating under steam or other fluid pressure
- e caused by operator error that results in the overloading of **covered equipment**.

Agent

A person or company who advises **you** on insurance and represents **you** and acts on **your** behalf when arranging insurance policies.

Appointed Adviser

The solicitor, accountant, mediator or other adviser appointed by **us** to act on behalf of an **insured person**.

Biomass and Biogas Installation

Equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant, including anaerobic digesters, storage tanks, augers, screeners, scrubbers, boilers, gas engines, generators, heat exchangers, pumps and motors.

Breakdown

Breakdown of **covered equipment** consisting of:

- a the actual breaking, failure, distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work
- b fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative
- c the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary
- d **electronic derangement**.

Buildings

The buildings at the risk address shown on the **schedule** and unless otherwise stated, any item for the insurance of buildings includes:

- a outbuildings within the boundaries of the **premises**
 - b aerials, satellite dishes, security cameras and lights fixed to the exterior of the buildings
 - c plant fixed to the exterior of the buildings providing air conditioning or climate control to the buildings
 - d solar water heating and solar photovoltaic panels fitted to the buildings
 - e fuel tanks and septic tanks connected to the buildings
 - f ducting, pipes, cables, wires and control equipment incorporated in the buildings and extending to the public mains
 - g walls, gates and fences around the **premises** and belonging to them
 - h swimming pools, car parks, yards, roads, pavements, paths and children's play areas
 - i permanently fixed lighting, seating and other external structures within the boundaries of the **premises**
 - j landlord's fixtures and fittings which are fixed to and form part of the structure or fabric of the building (including fixed flooring other than fitted carpets)
- all belonging to **you** or for which **you** are responsible but excluding:
- i glass, blinds and signs
 - ii **landlord's contents**
 - iii **contents of common areas**.

Business

The business as shown on the **schedule** including:

- a the ownership, repair and maintenance of the **premises**
- b the provision of fire and security services at the **premises**
- c the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
- d the occupation of the **premises** for property management purposes
- e participation in exhibitions, trade shows and conferences as an exhibitor or attendee.

Claimants' Costs and Expenses

The costs incurred by someone making a claim against **you** which **you** are legally liable to pay.

Collapse

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress, by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents).

Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the **appointed adviser** and **our** claims administrator to pay their professional fees on the basis of “no-win no-fee”.

Computer Equipment

Building management control systems.

Computer Media

All forms of electronic, magnetic and optical tapes and discs for use in any **computer equipment**.

Conditional Fee Agreement

A legally enforceable agreement between an **insured person** and the **appointed adviser** for paying their professional fees on the basis of “no-win no-fee”.

Consequential Loss

Consequential or indirect loss (that is any **damage** or additional expense, which happens as a result of, or is a side effect of, the event for which **you** are insured). This includes but is not limited to the following:

- a loss of revenue
- b loss of earnings
- c additional travel costs
- d loss assessor fees
- e the cost of preparing a claim
- f compensation for stress or inconvenience.

Contents of Common Areas

Contents belonging to **you** or for which **you** are responsible comprising furniture, furnishings, fitted carpets, rugs and other **property** in the common hall, stairways and other common parts (including storage rooms and compartments) of the **premises** but excluding:

- a **landlord's contents** or landlord's fixtures and fittings
- b articles of gold, silver or other precious metals
- c **money**, stamps, certificates, cheques, securities or documents
- d television, video and audio equipment and computers
- e clothing and personal effects other than those belonging to **directors, partners** or **employees** for an amount not exceeding £500 per person
- f **property** more specifically insured
- g any amount exceeding £500 in respect of any one picture, curio or work of art and £2,000 in respect of any one loss
- h **property** in the open
- i motor vehicles, their contents or accessories.

Contract Works

The permanent and temporary works carried out or to be carried out under any contract or agreement entered into by **you** for the purposes of alterations or improvements to the **premises** including materials for incorporation therein to the extent that **you** are responsible under the contract or agreement excluding:

- a plant, machinery, equipment or tools
- b site huts or other temporary site buildings and contents therein.

Cost of Alternative Accommodation

The additional cost of alternative comparable residential accommodation.

Covered Equipment

Equipment at the **premises** owned by **you** or for which **you** are responsible and which:

- a is built to operate under vacuum or pressure (other than the weight of its contents), or
- b generates, stores, transmits or converts energy, or
- c is **computer equipment**.

excluding:

- i the supporting structure, foundation, masonry, brickwork or cabinet
- ii insulating or refractory material
- iii vehicles, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment, which is included, but not the actual vehicle)
- iv self propelled plant and equipment (other than fork lift trucks and pallet trucks used by **you** at the **premises**) dragline excavation or construction equipment
- v equipment manufactured by **you** for sale
- vi safety or protective devices due to their functioning
- vii tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal
- viii any electronic equipment used for research, diagnostic, treatment, experimental or other medical or scientific purposes with a replacement value in excess of £30,000
- ix any **manufacturing, production or process equipment** including linked **computer equipment**
- x any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
- xi any kitchen and food preparation, laundry and cleaning equipment, audio visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is owned by **you** or for which **you** are responsible)
- xii any **biomass** or **biogas installation**
- xiii any **hydroelectric installation**.

Damage

Loss, destruction or damage.

Data

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

Declared Value

Your assessment of the cost of reinstatement at the level of costs applying at the inception of the **period of insurance** (ignoring inflationary factors which may operate subsequently) together with due allowance for:

- a the additional cost of reinstatement to comply with public authority requirements as allowed by Extension 4 Public Authorities of Sub-Section A – Buildings to the Property Section
- b professional fees as allowed by Extension 2 Professional Fees to the Property Section
- c removal of debris as allowed by Extension 3 Removal of Debris to the Property Section.

Defined Peril

- a Fire
- b Lightning
- c Explosion
- d Riot, civil commotion, labour or political disturbances
- e **Damage** by malicious persons
- f Earthquake or subterranean fire
- g Impact by:
 - i aircraft and other flying objects or articles dropped from them
 - ii vehicles, trains or trams
 - iii animals or birds
 - iv falling aerials, masts or satellite dishes
 - v falling trees and branches
- h Storm
- i Flood
- j Escape of water from any water, drainage or heating system
- k Escape of oil from any fixed oil fired heating installation.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **systems**.

Director

A director of **you** where **you** are a limited company.

Electronic Derangement

Malfunction of the **computer equipment** or electronic circuitry controlling or operating the **covered equipment** that is not accompanied by visible **damage** and requires replacement of one or more insured components of the **covered equipment** in order to restore it to its normal operation excluding:

- a the rebooting, reloading or updating of software or firmware
- b the incompatibility of **covered equipment** with any software or equipment installed, introduced or networked within the previous 30 days
- c the **covered equipment** being of insufficient size, specification or capacity.

Employee

Any:

- a person under a contract of service or apprenticeship with **you**
- b prospective employee who is being assessed as to their suitability for employment
- c labour master (or labour only subcontractor) or person supplied by them
- d self-employed person used for labour only
- e person hired or borrowed by **you** from another employer including agency workers
- f volunteer or voluntary worker
- g trainee or person undertaking work for **you** under a work experience placement

whilst engaged by **you** in the course of the **business** and under **your** direct control or supervision.

For the Legal Expenses Section only, employee means a worker who has or alleges they have, entered into a contract of service with **you**.

Europe

The member countries of the European Union, the Channel Islands, the Isle of Man, Norway and Switzerland.

Excess

The first amount of a claim **you** must pay.

Explosion

The sudden and violent rending of **covered equipment** by force of internal steam or other fluid pressure, (other than pressure of chemical action or ignited flue gases or ignition of the contents), causing bodily displacement of any part of the **covered equipment** together with forcible ejection of the contents.

Ground Heave

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

Hacking

Unauthorised access to any **system** whether owned by **you** or not.

Hydroelectric Installation

Equipment, machinery, dam and weir used in connection with running a hydroelectric-power station, including turbines, sluice gates, screens, screeners, pumps, motors, generators, gearboxes, engines, alternators and associated equipment together with any substation and distribution transformer, switchgear, meter, cabling, telecommunication and monitoring device, building and converter housing (including fixtures and fittings), and security equipment.

Increase in Cost of Working

The additional expenditure necessarily incurred for the sole purpose of avoiding or diminishing the reduction in **rent receivable** which but for that expenditure would have taken place during the **indemnity period**.

Indemnity Period

The period beginning with the occurrence of the **damage** and ending not later than the last day of the maximum indemnity period shown on the **schedule** during which the results of the **business** shall be adversely or positively affected in consequence of the **damage**.

Injury

Bodily injury, death, illness or disease.

Insured Person

- a **You, directors, partners, managers, officers and employees of your business.**
- b The estate, heirs, legal representatives or assigns of any persons mentioned in a above in the event of such person dying.
- c A person who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your** other **employees** and who performs work under **your** supervision.

Intruder Alarm System

The component parts of intruder alarm systems including the means of communication used to transmit signals.

Landlord's Contents

Contents belonging to **you** or for which **you** are responsible comprising furniture, furnishings, fitted carpets, rugs and other property within the furnished accommodation portion of the **premises** but excluding:

- a landlord's fixtures and fittings which are fixed to and form part of the structure or fabric of the **building**
- b **contents of common areas**
- c articles of gold, silver or other precious metals
- d **money**, stamps, certificates, cheques, securities or documents
- e televisions (other than televisions within **buildings** used solely for residential purposes to a value not exceeding £750 in any one residential unit), video and audio equipment and computers
- f clothing and personal effects other than those belonging to **directors, partners or employees** for an amount not exceeding £500 per person
- g **property** more specifically insured
- h any amount exceeding £500 in respect of any one picture, curio or work of art and £2,000 in respect of any one loss
- i **property** in the open
- j motor vehicles, their contents or accessories.

Landslip

Downward movement of sloping ground.

Legal Costs

- a Legal costs and disbursements incurred by the **appointed adviser** on the **standard basis** and agreed in advance by **us**.
- b In civil claims, other side's costs and disbursements where the **insured person** has been ordered to pay them or pays them with **our** agreement.
- c Accountancy fees incurred in connection with a claim under Cover 4 – Tax Protection of the Legal Guard cover by the **appointed adviser** and agreed by **us**.
- d An **insured person's** basic wages or salary under Cover 9 – Loss of Earnings of the Legal Guard cover, in the course of their employment with **you** while attending court or tribunal at the request of the **appointed adviser** or whilst on jury service where **you** do not pay for time lost and lost wages or salary cannot be claimed back from the court or tribunal.
- e The professional fees and expenses of an **appointed adviser** selected by **us** to reduce the actual or anticipated adverse or negative publicity or media attention directed towards **you** in connection with a claim under Cover 11 – Crisis Communication of the Legal Guard cover.

For the Landlord's Legal Guard extension only, Legal Costs is extended to include:

- a **your** basic wages or salary from **your** work as an **employee** while attending court at the request of the appointed adviser where **your** employer does not pay **you** for time lost.
- b accommodation and storage costs under Cover 4 – Accommodation and Storage Costs.

Legionellosis

Accidental **injury** caused by the escape, discharge or release of legionella bacteria from any water, air-conditioning or other purpose built system or equipment that uses water including, but not limited to, associated tanks, pipes, ducting, evaporative condensers, spa pools, saunas and Turkish baths.

Manufacturing, Production or Process Equipment

Any machine or apparatus (other than boilers, lifts, fork lift trucks, dock levellers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by **you** and any equipment which exclusively serves such machinery or apparatus.

Media

All forms of electronic, magnetic and optical tapes and discs for use in any **computer equipment**.

Money

Coins, bank and currency notes, bankers drafts, postal and money orders, cheques, bills of exchange, warrants, travellers cheques, prepaid travel money cards, unused current postage stamps, holiday with pay stamps, stamped holiday with pay cards, National Savings Certificates, Premium Bonds, luncheon vouchers, credit and debit card sales vouchers, gift tokens, activated gift cards, consumer redemption vouchers, lottery and other prize scratch cards, top up cards, telephone cards and vouchers, prepaid travel cards, unexpired units in franking machines and Value Added Tax (VAT) purchase invoices belonging to **you** or for which **you** are responsible.

Partner

A partner of **you** where **you** are a partnership or a member of **you** where **you** are a limited liability partnership but not any member also deemed to be in **your** employment.

Period of Insurance

The period of time this **policy** is effective as shown on the **schedule** or until this **policy** is cancelled. Each renewal represents the start of a new period of insurance.

Phishing

Any access or attempted access to **data** made by means of misrepresentation or deception.

Policy

This policy is made up of a number of documents. These documents are:

- a the policy wording
- b the **schedule**
- c the endorsements
- d notice to policyholders
- e the statement of fact or proposal form.

Polluting or Contaminating Substance

Any solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to smoke, vapour, fumes, acids, alkalis, chemicals, dust, legionella bacteria and other micro-organisms or pathogens and waste including material to be recycled, reconditioned or reclaimed.

Pollution or Contamination

- a all pollution or contamination of buildings or other structures or of water or land or the atmosphere
- b all **injury** or **damage** directly or indirectly caused by such pollution or contamination arising from any **polluting or contaminating substance**.

Premises

The **buildings** and the land inside the boundaries of the risk address shown on the **schedule**.

Principal

Any person, firm, company, ministry or authority for whom **you** undertake work or provide **products supplied** under a contract or agreement in the course of the **business**.

Products Supplied

Any goods (including containers) sold, supplied, erected, repaired, serviced, altered, treated, installed, processed, manufactured or tested by **you** in the course of the **business**.

Property

Material property which shall not include **data**.

For the Landlord's Legal Guard extension only, property means the residential property shown on the **schedule**.

Reasonable Prospects of Success

- a Other than as set out in b and c below, a greater than 50% chance of the **insured person** successfully pursuing or defending the claim and, if the **insured person** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained.
- b In criminal prosecution claims where the **insured person**:
 - i pleads guilty, a greater than 50% chance of successfully reducing any sentence or fine, or
 - ii pleads not guilty, a greater than 50% chance of that plea being accepted by the court.
- c In all claims involving an appeal, a greater than 50% chance of the **insured person** being successful.

Rent Receivable

The money paid or payable to **you** (including ground rent, service charges and any other income) for accommodation and services provided as landlord at the **premises**.

Schedule

The document that shows:

- a **your** name and address
- b the **business**
- c the **period of insurance**
- d the sections and sub-sections of this **policy** which are operative
- e the **excesses** which apply
- f the premium **you** must pay
- g the property that is insured
- h the limits of indemnity, sums insured and **indemnity periods**
- i details of any extensions or endorsements to the cover.

Service Provider

A business that **you** hire under a written contract or written agreement to perform services on **your** behalf in connection with **your business**.

Settlement

Downward movement as a result of the soil being compressed by the weight of the **buildings**.

Small Claims Court

- a A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999.
- b A court in Scotland that uses the small claims procedure as set out by the Act of Sederunt (Small Claims) Rules 2002.
- c A court in Northern Ireland where the sum in dispute is less than £3,000.
- d The equivalent jurisdiction elsewhere within the **territorial limits** where the **policy** applies.

Standard Basis

Costs assessed in accordance with the Courts' Civil Procedure Rules Part 44. This means the court will only allow recovery of costs which are proportionate to the claim and which have been reasonably incurred.

Subsidence

Downward movement of the ground beneath the **buildings** and its foundations other than by **settlement**.

System

Computer or other equipment or component or system or item which processes, stores, transmits or receives **data**.

Tenancy Agreement

An agreement to let **your property**:

- a
 - i under an assured shorthold tenancy
 - ii under a shorthold tenancy
 - iii under an assured tenancy as defined by the Housing Act 1988 as amended by the Housing Act 1996 and the Assured Tenancies (Amendment) (England) Order 2010 or the Housing (Scotland) Act
- b in accordance with the Private Tenancies (Northern Ireland) Order 2006
- c to a limited company or business partnership for residential purposes by its employees
- d where **you** live at **your property** and have one or two written licence agreement(s) which contain(s) a termination clause.

Territorial Limits

Unless otherwise stated in the **schedule** or elsewhere in this **policy**, the following territorial limits apply:

Property, Loss of Rent and Liability Sections

England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man.

Terrorism Extensions to the Property and Loss of Rent Sections

England, Scotland and Wales but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor Northern Ireland, the Isle of Man or the Channel Islands.

Legal Expenses Section

- a For Cover 6 – Legal Defence, Cover 7– Compliance and Regulation and Cover 12 – Contract and Debt Recovery: **Europe**.
- b For all other covers: England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man.

Terrorism

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

Transit

The loading, unloading and transportation of **covered equipment** other than by air or sea unless the sea transit is by roll-on/roll-off ferry.

Unoccupied, Unoccupancy

Empty or not in use by **you** or any of **your** tenants or lessees for more than:

- a 90 consecutive days in respect of houses used exclusively for residential purposes
- b 90 consecutive days in respect of buildings used exclusively as residential flats but only where more than 25% of the flats are empty or not in use by **you** or any of **your** tenants or lessees
- c 30 consecutive days in respect of all other buildings.

For the purposes of this definition, item b shall be calculated on the number of individual flats as a percentage of the total number of flats within the block.

We, Our, Us

Ageas Insurance Limited.

Virus

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **systems, data** or operations, whether involving self-replication or not including, but not limited to, trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

You, Your, Yours

The person, persons or corporate body named on the **schedule** as the Insured including subsidiary companies notified by **you** and accepted by **us**.

For the Landlord's Legal Guard extension only, you, your, yours means the person(s) named on the **schedule** as the Insured and any person or business appointed as their agent to manage the letting of the **property** to the extent that any such agent has acted on behalf of the person(s) named on the **schedule**.

Your Costs and Expenses

- a costs and expenses incurred with **our** consent in defending any claim
- b costs incurred with **our** consent for solicitors' fees for representation at any coroner's court, fatal accident inquiry or court of summary jurisdiction (including a court of equal status in any country within **Europe**) in respect of any occurrence which may be the subject of indemnity under the Liability Section
- c legal costs incurred with **our** consent for defending a charge of corporate manslaughter or any equivalent charge or a breach of health and safety at work or data protection legislation.

General Exclusions

These exclusions apply to the whole policy. Additional exclusions may apply to individual sections and sub-sections. Please refer to the section and sub-section wordings for details.

1 Radioactive Contamination

We will not pay for any claim directly or indirectly caused by, contributed to by or arising from:

- a ionising radiations or radioactive contamination from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b the radioactive, toxic, explosive or other dangerous properties of any explosive nuclear equipment or nuclear part of that equipment.

For Sub-Section A – Employers’ Liability of the Liability Section, this exclusion will only apply to:

- i the liability of any **principal**
- ii liability assumed under the terms of a contract or agreement where liability would not have attached in the absence of such contract or agreement.

2 War

With the exception of claims under Sub-Section A – Employers’ Liability of the Liability Section, **we** will not pay for any claim directly or indirectly caused by, contributed to by or arising from war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.

3 Northern Ireland

We will not pay for any **damage** to any **property** in Northern Ireland directly or indirectly caused by, contributed to, by or arising from:

- a riot or civil commotion, or
- b labour disturbances or malicious persons except in respect of accidental **damage** caused by fire or explosion.

4 Terrorism

We will not pay for any **damage**, **injury** or liability directly or indirectly caused by, contributed to by or arising from:

- a **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b any action taken in controlling, preventing, suppressing or in any way relating to **terrorism**

except as provided by:

- i the Liability Section
- ii Extension 17 Terrorism of the Property Section (if shown on the **schedule**)

- iii Extension 18 Terrorism – Residential Property of the Property Section
- iv the Terrorism extension to the Loss of Rent Section of this **policy**.

In any action, suit or other proceedings, where **we** allege that by reason of the provisions of this exclusion any **damage**, **injury** or liability is not covered by this **policy**, the burden of proving that such **damage**, **injury** or liability is covered shall be upon **you**.

5 Electronic Risks

We will not pay for any claim directly or indirectly caused by, contributed to by or arising from:

- a **damage** to any **system** whether owned by **you** or not and whether tangible or intangible including any **data** where such **damage** is caused by programming or operating error by any person, acts of malicious persons, **virus**, **hacking**, **phishing**, **denial of service attack** or failure of any external network
 - b loss, alteration, modification, distortion, erasure, corruption or **hacking of data**
 - c any misinterpretation, use or misuse of **data**
 - d unauthorised transmission of **data** to any third party or transmission of any **virus**
 - e **damage** to any other **property** directly or indirectly caused by, contributed to by or arising from **damage** described in a, b, c or d of this exclusion
- but this shall not exclude accidental **damage** to insured **property** which results from a cover cause, not otherwise excluded, except for acts of malicious persons which do not involve physical force or violence.

6 Pollution or Contamination

We will not pay for any claim directly or indirectly caused by, contributed to by or arising from **pollution or contamination**.

This exclusion does not apply to:

- a the Legal Expenses Section
- b Sub-Section A – Employers’ Liability of the Liability Section
- c Sub-Section B – Public Liability of the Liability Section where **pollution or contamination** consists of a sudden, identifiable, unintended and unexpected occurrence which takes place in its entirety at a specific time and place during the **period of insurance**

- d the Property or Loss of Rent Sections where **damage** to the **property** insured is caused by:
- i **pollution or contamination** which itself results from Cover Cause 1 or 2
 - ii any one of Cover Causes 1 or 2 which itself results from **pollution or contamination**.
- We** will not be liable however for costs arising from **pollution or contamination of property or buildings** not insured under the Property Section.

7 Territorial Limits

We will not pay for any claim directly or indirectly caused by, contributed to by or arising from **damage, injury** or liability occurring outside the **territorial limits** unless otherwise stated.

8 Asbestos

We will not pay for any claim arising out of mining, processing, manufacturing, removing, disposing of, distributing or storing of asbestos or products made entirely or mainly of asbestos.

This exclusion shall not apply to the removal or disposal of asbestos or products made entirely or mainly of asbestos provided:

- a such activity does not form part of **your** usual business
- b the discovery of asbestos is unintentional and accidental and that upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
- c an asbestos removal contractor licensed by the Health and Safety Executive is employed as soon as practicable to make safe the area in which the discovery is made and who has employers' and public liability insurance in force for limits no less than those stated on **your** own such policies and that such work is not excluded by the contractor's own employers' and public liability policy.

9 Sanctions

We will not provide any cover or be liable to provide any indemnity or payment or other benefit under this **policy** to the extent that providing such cover, indemnity, payment or benefit would expose **us** or any of the Ageas group of companies to the violation of any:

- a sanction, prohibition or restriction imposed under United Nations resolutions, or
- b trade or economic sanctions of the United Kingdom, European Union, the United States of America or any other territory, or
- c laws or regulations of the United Kingdom, European Union, the United States of America or any other territory.

The following General Exclusions are applicable to the Legal Expenses Section only:

10 Consent

We will not pay for **legal costs**, communication costs or compensation awards incurred without **our** consent.

11 Act or Omission

We will not pay for any claim arising from or relating to any actual or alleged act, omission or dispute happening before, or existing at the start of the **policy**, and which **you** or an **insured person** knew or ought reasonably to have known could lead to a claim.

12 Allegations

We will not pay for any claim arising from or relating to an allegation against **you** or an **insured person** involving:

- a assault, violence, indecent or obscene materials, dishonesty, malicious falsehood or defamation (except in relation to Cover 11 – Crisis Communication)
- b the manufacture, dealing in or use of alcohol, illegal drugs or illegal immigration
- c offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences).

13 Personal Injury and Property

We will not pay for defending a claim in respect of damages for:

- a personal injury (other than injury to feelings in relation to Cover 1 – Employment)
- b loss or damage to property owned by the **insured person**.

14 Copyright

We will not pay for any claim arising from or relating to patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Cover 3 – Employment Restrictive Covenants).

15 Disputes

We will not pay for any claim arising from or relating to a dispute with:

- a any subsidiary, parent, associated or sister company or between shareholders or **partners**
- b **us**, a managing agent or the party who arranged this cover (other than as provided for by Claims Condition 7 – Arbitration)
- c a dispute between **your** family members.

16 Franchise or Agency Agreements

We will not pay for any claim arising from or relating to franchise or agency agreements.

17 Judicial Review

We will not pay for any claim arising from or relating to a judicial review.

18 Fines, Penalties or Compensation

We will not pay for fines, penalties or compensation awarded against an **insured person** (except as covered under Cover 2 – Employment Compensation Awards or d of Cover 7 – Compliance and Regulation) or costs awarded against an **insured person** by a court of criminal jurisdiction.

General Conditions

These conditions apply to the whole policy. Additional conditions may apply to individual sections or sub-sections. Please refer to the section and sub-section wordings for details.

Conditions

1 Misrepresentation

You must make a fair presentation of the risk to **us**.

This means **you** must disclose at inception or variation to this **policy** and prior to each renewal every material circumstance which **you** know or ought to know and not make misrepresentations to **us**. If **you** do not make a fair presentation to **us**, **we** can:

- a avoid this **policy** from inception or renewal if **we** would not have issued it or continued it knowing the true situation
- b avoid a variation to this **policy** if **we** would not have accepted it had **we** known the true situation
- c alter the terms of this **policy** from the date the non-disclosure or misrepresentation was made to those **we** would have applied had **we** known the true situation
- d reduce the payment for a claim
- e cancel this **policy** from the date the non-disclosure or misrepresentation was made.

This may result in claims not being paid or not being paid in full.

2 Subject to Survey

If this **policy** has been issued subject to survey, then continuance of cover shall be subject to:

- a **you** allowing **us** to undertake a survey at each of **your premises** (where required) by a date agreed in writing by **us**. **We** may appoint a surveyor to do the survey for **us**
- b **you** complying with **our** acceptance criteria
- c the completion of any risk improvements required within the timeframe advised by **us**.

The cost of completing any risk improvement requirements will be met by **you**.

If **you** do not allow **us** to complete the survey by the agreed date **we** may exercise **our** right to cancel this **policy** in accordance with General Condition 6 Our Cancellation Rights.

For the period between inception date and the completion date of the survey **we** agree to cover **you** in accordance with the terms, conditions and exclusions of this **policy**.

In the event the survey does not reflect the details supplied to **us** by **you** or on **your** behalf, or if any of the risk improvement requirements are not completed by the agreed date **we** give **you** in writing following the survey, **we** have the right to amend the premium, terms, conditions and exclusions of this **policy**, or to cancel this **policy** in accordance with General Condition 6 Our Cancellation Rights.

3 Reasonable Precautions

You shall take all reasonable care:

- a for the safety of the **property** insured
- b to prevent accidents or disease
- c to comply with all statutory obligations and regulations imposed by any authority
- d to prevent the sale or supply of goods which are defective in any way.

4 Fraud

If **you** or anyone acting for **you**:

- a makes any claim that is deliberately exaggerated, or
- b uses, or attempts to use, fraudulent means to obtain benefits under this **policy**, or
- c deliberately makes a false or misleading statement, or deliberately submits false or misleading information or evidence in support of a claim which **you** or they know or ought to know would result in **us** paying a claim that **we** were entitled to refuse or paying a greater sum in respect of a claim, or
- d deliberately withholds information or evidence from **us** which **you** or they know or ought to know would entitle us to refuse to pay a claim or pay a lesser sum under this **policy** then:
 - i **we** will not be liable to pay the claim,
 - ii **we** may cancel this **policy** from the date of such act,
 - iii all benefit under this **policy** will be forfeited,
 - iv **we** may recover all sums paid by **us** under this **policy**, and
 - v **we** may inform the police and fraud prevention agencies of the circumstances.

5 Your Cancellation Rights

During the first **period of insurance**, **you** have the right to cancel this **policy** within 14 days of:

- a receipt of the policy wording and **schedule**, or
- b the inception date of this **policy**

whichever is the later, by writing to **us** or alternatively by contacting **your agent** to confirm cancellation. Cancellation will take effect from the date that **we** or **your agent** receives **your** cancellation instructions. Provided no claim has been made and there has been no incident known to **you** prior to cancellation which may give rise to a claim, **you** will be entitled to a full refund of the premium paid. Should a claim be submitted after such refund has been provided, payment of the premium in full will be required before **we** can deal with the claim.

You may cancel this **policy** at any other time by writing to **us** or alternatively by contacting **your agent** to confirm cancellation. **You** will be entitled to the return of a proportionate part of the premium **you** originally paid, for the time left on **your policy**, provided no claim has been made during the **period of insurance** in which the cancellation is taking effect. If a claim has been made, **we** will deduct the cost of the claim (or the estimated cost where the claim is outstanding) from the refund due. **You** will not be entitled to any refund if:

- i there has been an incident known to **you** which may give rise to a claim, or
- ii the cost of the claim (or the estimated cost where the claim is outstanding) is equal to or exceeds the amount of the premium paid.

6 Our Cancellation Rights

The cover provided by this **policy** shall automatically cease from the date that:

- a a liquidator, administrator or insolvency practitioner is appointed to administer the **business**
- b the **business** is permanently discontinued
- c **your** interest ceases other than as a result of **your** death unless **we** agree otherwise in writing.

In addition to a, b and c of this condition and any right to cancel under more specific conditions, **we** also have the right to cancel this **policy** at any other time by sending 14 days' notice in writing to **your** last known address. Reasons for cancellation under this condition may include but are not limited to:

- i a change to the risk which makes it one **we** would not normally accept
- ii **you** failing to co-operate with or provide information to **us** which affects **our** ability to underwrite the risk.

You will be entitled to the return of a proportionate part of the premium **you** originally paid, for the time left on **your policy**, provided no claim has been made during the **period of insurance** in which the cancellation is taking effect. If a claim has been made, **we** will deduct the cost of the claim (or the estimated cost where the claim is outstanding) from the refund due. **You** will not be entitled to any refund if:

- a there has been an incident known to **you** which may give rise to a claim, or
- b the cost of the claim (or the estimated cost where the claim is outstanding) is equal to or exceeds the amount of the premium paid.

7 Renewal

We are not bound to offer renewal of this **policy**.

8 Law Applicable to this Policy

This **policy** will be governed by English Law, and **you** and **we** agree to submit to the non-exclusive jurisdiction of the courts of England and Wales (unless **you** live in Jersey in which case the law of Jersey will apply and the Jersey courts will have exclusive jurisdiction).

9 Language

The contractual terms, conditions, exclusions and other information relating to this **policy** will be in the English language.

10 Contracts (Rights of Third Parties Act) 1999

Except as provided by General Condition 11 Personal Representatives, no party to this **policy** intends that any term of this **policy** should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person, persons or corporate body who is not a party to this **policy**.

11 Personal Representatives

In the event of the death of any party entitled to indemnity under this **policy**, **we** will cover the deceased's personal representatives in respect of legal liability to pay **your costs and expenses, claimants' costs and expenses** and damages previously incurred by the deceased in respect of accidental:

a injury

b damage to property

provided that:

- i the personal representatives comply with and are subject to the terms and conditions of this **policy** to the extent that these can apply
- ii the conduct and control of claims is vested in **us**
- iii where more than one party is entitled to indemnity under this condition, **our** total combined liability to all parties will not exceed the applicable limit of indemnity shown on the **schedule**.

12 Co-operation

(Applicable to the Legal Expenses Section only)

It is a condition precedent to **our** liability that **insured persons** keep to the terms of this **policy** and co-operate fully with **us**.

13 Acts of Parliament, Statutory Instruments, Civil Procedure Rules and Jurisdiction

(Applicable to the Legal Expenses Section only)

All legal instruments and rules referred to within the Legal Expenses Section shall include equivalent legislation and rules in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation or rules.

Conditions Precedent to Liability

1 Notice of Unoccupancy or Occupancy

It is a condition precedent to **our** liability to pay claims under the Property and Loss of Rent Sections that **you** must advise **us** as soon as **you** become aware that:

- a the **premises** or a **building** or any self-contained unit (excluding a residential flat) within a **building** becomes **unoccupied**
- b the **premises** or a **building** or any self-contained unit (excluding a residential flat) within a **building** becomes occupied after a period of being **unoccupied**.
- c more than 25% of residential flats within a **building** become **unoccupied**.

Following notification of **unoccupancy** or occupancy, **we** will have the right to amend the premium, terms, conditions and exclusions of this **policy**, or may exercise **our** right to cancel this **policy** in accordance with General Condition 6 Our Cancellation Rights.

2 Unoccupancy Precautions

It is a condition precedent to **our** liability to pay claims under the Property and Loss of Rent Sections that precautions a - e must be complied with in respect of any **unoccupied**:

- **premises**, or
 - **building**, or
 - self-contained unit (excluding a residential flat) within a **building**, or
 - residential flats where more than 25% of the flats within a **building** are **unoccupied**.
- a An internal and external inspection must be made by a responsible adult at least every seven days. Following such inspection, any defects found must be rectified, remedied or repaired promptly and all combustible waste materials must be removed prior to the next inspection. A record of such inspections, including details of any action taken, must be retained by **you** and made available to **us** on request
- b All letter boxes must be sealed shut or fitted with an internal metal cage
- c All final exit doors must be secured by either:
- i a mortice deadlock conforming to BS3621 or BSEN1303 with matching steel box striking plate (except in respect of individual residential flats where alternative locks conforming to BS3621 or BSEN1303 may be used), or
 - ii locking metal bars with a close shackle padlock conforming to BSEN12320 security grade 5, or
 - iii a multi-point locking system i.e. a minimum of three locking points that all lock simultaneously by the turn of a key, or
 - iv other security devices if agreed by **us** in writing to **you**
- d All accessible windows must be securely locked or screwed shut
- e All other available security must be made operative.

Claims Conditions

These conditions apply to the whole policy unless otherwise stated.

1 Claims Procedure – Your Responsibilities

Failure to comply with these responsibilities will affect the payment of any claim.

- a **You** must not negotiate or settle any claims made against **you** by anyone else or admit or deny responsibility for any incident involving **injury** to others or **damage** to their **property** unless **we** agree otherwise in writing.
- b **You** must:
 - i on discovery of any **damage** by theft or attempted theft or by malicious persons give immediate notice to the police and obtain a crime reference number if a crime has been committed and provide it to **us**
 - ii notify **us** within seven days of any **damage** by riot, civil commotion, labour or political disturbances, malicious persons or theft or attempted theft. Any other incident that may give rise to a claim under this **policy** must be reported to **us** and full written particulars of the loss supplied as soon as possible after the event at **your** expense
 - iii immediately send **us** unanswered and unacknowledged any letter or notice received alleging that **you** or anyone working for **you** is responsible for causing an **injury** to any person or **damage** to any **property**. **You** must also send **us** unanswered and unacknowledged any written claim, writ, summons or other document relating to a claim and tell **us** of any pending prosecution, coroner's inquest or fatal accident inquiry and give **us** full details of any verbal claims made against **you**
 - iv take immediate action to minimise loss, prevent further **damage** or **injury** and avoid interruption or interference with the **business**
 - v keep all damaged **property** until **we** give permission to dispose of it
 - vi provide at **your** expense all information and assistance as **we** may reasonably require
 - vii provide, if **we** require, a statutory declaration of the truth of the claim.

2 Claims Procedure – Our Rights

We shall:

- a be allowed by **you** to enter the **premises** where **damage** has occurred and take and keep possession of any **property** insured
- b not accept any **property** being abandoned to **us**
- c have complete control of any proceedings and the settlement of any claim.

3 Subrogation

Before or after any payment is made by **us**, **we** can at **our** option:

- a negotiate, defend or settle, in **your** name and on **your** behalf, any claims made against **you**
- b take legal action in **your** name but for **our** benefit to get back any payment **we** have made under this **policy**.

4 Contribution

(Not applicable to the Liability or Legal Expenses Sections)

If **you** have any other insurance policies that cover the same **damage** or liability as this **policy**, **we** will only pay **our** share of any claim.

5 Arbitration

(Not applicable to the Liability or Legal Expenses Sections)

If **we** agree to pay **your** claim, but **you** disagree with the amount to be paid, such difference shall be referred to an arbitrator jointly appointed by **you** and **us** in accordance with the Arbitration Act. **You** may not take legal action against **us** over this disagreement until the arbitrators have made their decision.

6 Discharge of Liability

(Applicable to the Liability Section only)

We may, at any time, pay **you** in connection with any claim or series of claims:

- a the amount of the limit of indemnity
- b any lower amount for which such claim or claims can be settled

less any sum or sums already paid as damages, **claimants' costs and expenses** and **your costs and expenses**.

On payment, **we** shall relinquish the conduct and control of, and be under no further liability in connection with such claim or claims except for the payment of **claimants' costs and expenses** and **your costs and expenses** incurred prior to the date of such payment.

7 Automatic Reinstatement

(Applicable to the Property and Loss of Rent Sections)

Upon notification of a claim to **us**, unless **we** or **you** give written notice to the contrary, the sums insured and limits will be reinstated to their full amount provided that:

- a **you** will pay the appropriate additional premium from the date of the loss to the expiry of the **period of insurance** if **we** request the additional premium
- b the total of the amounts reinstated during any one **period of insurance** will not exceed the sum insured and limits shown on the **schedule** or elsewhere in the policy wording.

The following conditions apply to the Legal Expenses Section only:

8 Insured Persons' Responsibilities

An **insured person** must:

- a tell **us** immediately of anything that may make it more costly or difficult for the **appointed adviser** to resolve the claim in their favour
- b co-operate fully with **us**, give the **appointed adviser** any instructions **we** require, and keep **us** updated with progress of the claim and not hinder **us**
- c take reasonable steps to claim back **legal costs** and, where recovered, pay them to **us**
- d keep **legal costs** as low as possible
- e not:
 - i negotiate, settle the claim or agree to pay **legal costs** without our written agreement
 - ii refuse to settle a claim following advice to do so from the **appointed adviser**.If they do, **we** reserve the right to refuse to pay further legal costs.

9 Freedom to Choose an Appointed Adviser

- a In certain circumstances as set out in b below an **insured person** may choose an **appointed adviser**. In all other cases no such right exists and **we** shall choose the **appointed adviser**.
- b If:
 - i **we** agree to start proceedings or proceedings are issued against an **insured person**, or
 - ii there is a conflict of interestthe **insured person** may choose a qualified **appointed adviser** except where the **insured person's** claim is to be dealt with by the Employment Tribunal or small claims court where our claims administrator shall always choose the **appointed adviser**.
- c Where the **insured person** wishes to exercise the right to choose, the **insured person** must write to **us** with their preferred representative's contact details.
- d If the **insured person** dismisses the **appointed adviser** without good reason, or withdraws from the claim without **our** written agreement, or if the **appointed adviser** refuses with good reason to continue acting for an **insured person**, cover will end immediately.
- e In respect of a claim under Cover 12 – Contract and Debt Recovery **you** must enter into a **conditional fee agreement** (unless the **appointed adviser** has entered into a **collective conditional fee agreement**) where legally permitted.

10 Consent

The **insured person** must agree to **us** having sight of the **appointed adviser's** file relating to the **insured person's** claim. The **insured person** is considered to have provided consent to **us** or their appointed agent to have sight of their file for auditing and quality and cost control purposes.

11 Barrister's Opinion

We may require an **insured person** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of a claim. If the opinion supports the **insured person**, then **we** will reimburse the costs of that opinion.

The most **we** will reimburse is the amount **we** have agreed to pay to obtain the opinion. If that opinion conflicts with advice obtained by **us**, then **we** will pay for a final opinion which shall be binding on the **insured person** and **us**. This does not affect **your** right under Claims Condition 13 Arbitration.

12 Contribution

We will not pay more than **our** fair share (rateable proportion) for any claim covered by another policy, or any claim that would have been covered by any other **policy** if this policy did not exist.

13 Arbitration

If any dispute between **you** and **us** arises from this **policy**, **you** can make a complaint to us as described in the **What to do if you have a complaint** section and we will try to resolve the matter. If **we** are unable to satisfy **your** concerns and the matter can be dealt with by the Financial Ombudsman Service **you** can ask them to arbitrate over the complaint.

If the dispute cannot be dealt with by the Financial Ombudsman Service, it can be referred for independent arbitration to a qualified person agreed upon by both parties.

The loser of the dispute shall be liable to pay the costs incurred. If **we** fail to agree on a suitable person to arbitrate the matter **we** will ask the President of the relevant Law Society to nominate. The arbitration shall be subject to the Arbitration Acts and the arbitrator's decision shall be binding on the parties.

14 Discharge of Liability

We can settle the claim by paying the fair value of the **insured person's** claim taking into consideration the merits of the claim and any supporting evidence.

Cover Causes

Wherever they are referred to in the policy the Cover Causes applicable are as follows:

Cover Cause 1

- a Fire but not **damage** caused by:
 - i spontaneous heating or fermentation of the **property** insured
 - ii fire as a consequence of the **property** insured undergoing any process involving the application of heat
- b Lightning
- c Earthquake, subterranean fire
- d Explosion, but not explosion of any non domestic steam pressure equipment under **your** control
- e Impact by aircraft or other flying objects or articles dropped from them.

Cover Cause 2

- a Riot, civil commotion, labour or political disturbances
- b Malicious persons but not **damage**:
 - i caused by theft or attempted theft
 - ii arising when the **premises** are **unoccupied**
- c Explosion of boilers and economisers or other equipment used for non domestic purposes and which is built to operate under internal pressure due to steam only
Cover Cause 2c Explosion of boilers and economisers and other equipment is only effective for Sub-Section A – Rent of the Loss of Rent Section
- d Impact by:
 - i vehicles, trains or trams
 - ii animals or birds
 - iii falling aerials, masts or satellite dishes
 - iv falling trees and branches including the cost of removing fallen trees or branches, but only where there has been **damage to property** insured by this **policy**
- e Escape of oil from any fixed oil fired heating installation but not **damage** arising when the **premises** are **unoccupied**
- f Storm but not **damage**:
 - i due to changes in the water table level
 - ii by frost, **subsidence**, **settlement**, **ground heave** or **landslip**
 - iii to fences, gates and moveable **property** in the open or open sided buildings
 - iv caused by flood
- g Flood but not **damage**:
 - i due to changes in the water table level
 - ii by frost, **subsidence**, **settlement**, **ground heave** or **landslip**
 - iii to fences, gates and moveable **property** in the open or open sided buildings
 - iv due to the escape of water from any water tank, apparatus or pipes

- h Escape of water from any water, drainage or heating system but not **damage** arising when the **premises** are **unoccupied**.

Cover Cause 3

Accidental **damage** but not **damage**:

- a by Cover Causes 1, 2, 4 or 5 or any of their detailed exclusions whether insured or not
- b to a building or structure caused by its own collapse or cracking
- c resulting from, or caused by, any process of production, packing, treatment, dyeing, cleaning, testing, commissioning, maintenance, alteration, restoration, servicing or repair
- d caused by:
 - i inherent vice, latent defect, gradual deterioration, wear and tear, frost, faulty or defective design, faulty or defective workmanship or materials, operational error or omission, but not excluding the subsequent **damage** which itself results from a cover cause that is otherwise operative
 - ii corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, condensation, atmospheric or climatic conditions, dampness, dryness, chipping, marring or scratching, vermin or insects
 - iii change in temperature, colour, flavour, texture or finish
 - iv joint leakage, the failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
 - v mechanical or electrical breakdown or derangement in respect of the particular machinery or equipment in which such breakdown or derangement occurs but not excluding:
 - a the subsequent **damage** which itself results from a cover cause that is otherwise operative
 - b **damage** caused by artificially generated electrical current, including electric arcing, that damages electrical devices, appliances or wires
 - vi acts of fraud or dishonesty including any collusion by **you** or **directors**, **partners** or **employees**
 - vii disappearance, unexplained or inventory shortage, misfiling or misplacing of information
 - viii or consisting of distortion, erasure or corruption of computer records or **media**.

Cover Cause 4 – Theft or attempted theft

Theft or attempted theft but not theft or attempted theft:

- a that does not involve entry to or exit from a **building** by forcible and violent means or that does not involve actual or threatened assault or violence, or use of force against **you** or any person lawfully on the **premises**

- b of any **property** from any garden (except as provided by Extension 15 Contents in the Gardens of Residential Property of the Property Section), yard or open space unless specified as an insured item on the **schedule**
- c from any vehicle or trailer
- d arising while the **premises** are **unoccupied**
- e by any **employee** or person lawfully on the **premises** (other than a tenant or a lessee)
- f **damage** to **buildings** except for **contract works** or as provided by Extension 5 Theft of Building to Sub-Section A – Buildings and Extension 2 Theft Damage to Buildings to Sub-Section B - Contents of the Property Section.

Cover Cause 5 – Subsidence, ground heave or landslip

Damage caused by **subsidence, ground heave or landslip** of the site on which the **property** described on the **schedule** stands but not **damage**:

- a to outbuildings, aerials, satellite dishes, security cameras, lights, air conditioning or climate control equipment, solar panels, fuel tanks and septic tanks, ducting, pipes, cables, wires, control equipment, walls, gates and fences, swimming pools, car parks, yards, roads, pavements, footpaths and children's play areas, unless the structure of the building which they are ancillary to is damaged at the same time by the same cause
- b to solid floor slabs or **damage** from solid floor slabs moving, unless the foundations underneath the outside walls of the main building are damaged at the same time and by the same cause
- c caused by or consisting of:
 - i **settlement** (including the normal **settlement** or bedding down of new structures)
 - ii compaction or movement of infill or made up ground
 - iii coastal or river erosion
 - iv defective design or faulty workmanship or the use of defective materials or inadequate foundations
- d which originated before this cover cause was effective
- e resulting from:
 - i demolition, construction, structural alteration or repair of any **property** at the **premises**
 - ii groundwork or excavation at the same **premises**
- f for which compensation is provided under or by contract or legislation
- g resulting from loss of market value after repairs.

Cover Cause 6 – All Risks excluding subsidence, ground heave or landslip

Accidental **damage** but not **damage** caused by:

- a or resulting from any process of production, packing, treatment, dyeing, cleaning, testing, commissioning, maintenance, alteration, restoration, servicing or repair but not excluding **damage** caused by a **defined peril** and not otherwise excluded
- b inherent vice, latent defect, gradual deterioration, wear and tear, frost, faulty or defective design, faulty or defective workmanship or materials, operational error or omission, but not excluding **damage** caused by a **defined peril** and not otherwise excluded
- c collapse or cracking of any building or structure unless it results from a **defined peril** and is not otherwise excluded
- d corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, condensation, atmospheric or climatic conditions, dampness, dryness, chipping, marring or scratching, vermin or insects

- e change in temperature, colour, flavour, texture or finish
- f joint leakage, the failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- g the bursting of:
 - i any boiler not used for domestic purposes only
 - ii any economiser or other vessel, machine or apparatus owned by **you** or under **your** control in which internal pressure is due to steam only but this will not exclude subsequent **damage** which itself results from a cause not otherwise excluded
- h mechanical or electrical breakdown or derangement in respect of the particular machinery or equipment in which such breakdown or derangement occurs but not excluding:
 - i the subsequent **damage** which itself results from a cover cause that is otherwise operative
 - ii **damage** caused by artificially generated electrical current, including electric arcing, that damages electrical devices, appliances or wires
- i acts of fraud or dishonesty including any collusion by **you, directors, partners or employees**
- j disappearance, unexplained or inventory shortage, misfiling or misplacing of information
- k or consisting of distortion, erasure or corruption of computer records or **media**
- l theft or attempted theft:
 - i that does not involve entry to or exit from a **building** by forcible and violent means or that does not involve actual or threatened assault or violence, or use of force against **you** or any person lawfully on the **premises**
 - ii of any **property** from any garden (except as provided by Extension 15 Contents in the Gardens of Residential Property of the Property Section), yard or open space unless specified as an insured item on the **schedule**
 - iii from any vehicle or trailer
 - iv arising while the **premises** are **unoccupied**
 - v by any **employee** or person lawfully on the **premises** (other than a tenant or a lessee)
 - vi **damage** to **buildings** except for **contract works** or as provided by Extension 5 Theft of Building to Sub-Section A – Buildings and Extension 2 Theft Damage to Buildings to Sub-Section B - Contents of the Property Section
- m **subsidence, ground heave or landslip** unless it results from a **defined peril** other than storm or flood and which is not otherwise excluded
- n **settlement** or bedding down of new structures, compaction or movement of infill or made up ground
- o wind, rain, hail, sleet, snow, flood or dust to any fences, gates or moveable **property** in the open
- p changes in the water table level
- q spontaneous heating or fermentation of the **property** insured or fire caused by its undergoing any process involving the application of heat but this will not apply to any **damage** caused by a **defined peril** and not otherwise excluded
- r requisition, confiscation or destruction by order of the government or other statutory authority
- s or resulting from the stopping of work
- t escape of water or oil from any pipe, tank or apparatus, **damage** by malicious persons, theft or attempted theft, frost, or burst pipes in any building which is **unoccupied**.

Property Section

Sub-Section A – Buildings

The cover described below is only operative if shown on the **schedule**

Cover

Buildings

We will pay for accidental **damage** occurring during the **period of insurance** by any of the cover causes shown against each item of **buildings** on the **schedule**.

Extensions to Sub-Section A – Buildings

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Contracting Purchaser

Where **you** contract to sell **your** interest in a **building** insured by this sub-section, the contracting purchaser, who has not, but will complete the purchase, has the benefit of the insurance by this sub-section up to the date of completion, to the extent that the **buildings** are not otherwise insured and provided the purchaser shall comply with and be subject to the terms, conditions and exclusions of this **policy** in so far as they can apply.

2 Mortgagee, Freeholder or Lessor

The interest of any mortgagee, freeholder or lessor in any **buildings** insured by this **policy** will not be prejudiced by any act, omission, alteration or neglect of or by the mortgagor or occupier of the **buildings** which is unknown to or beyond the control of the mortgagee, freeholder or lessor whereby the risk of **damage** is increased provided that the mortgagee, freeholder or lessor give **us** notice immediately on becoming aware of such act, omission, alteration or neglect and pays any additional premium required.

3 Underground Services

We will pay for accidental **damage** by any of the cover causes applicable to **buildings** to underground tanks, water pipes, drains, sewers, gas pipes, electricity and telephone cables extending from the public mains to the **buildings** to the extent to which **you** are responsible for repair.

4 Public Authorities

The sum insured in respect of Sub-Section A – Buildings includes an amount for additional costs incurred solely by reason of the necessity to comply with any legislation, statutory requirements or regulations or public authority byelaw in:

- a reinstating the damaged parts of the **buildings**
- b upgrading any undamaged parts of the **buildings** as a result of accidental **damage** to the **buildings** by any of the cover causes shown against **buildings** on the **schedule**.

We will not pay for:

- i any amount exceeding 15% of the amount that would have been payable if the **buildings** had been totally destroyed in respect of item b above
- ii any such cost resulting from a notice served on **you** prior to the date of the **damage**
- iii the amount of any rate, tax, duty, development or other charge arising out of capital appreciation which may be payable in respect of the **buildings**.

The work of reinstatement or upgrading must be completed within 12 months of the date of the **damage** unless a longer period is agreed by **us** in writing.

5 Theft of Building

If Cover Cause 4 or 6 is operative in respect of a **building**, **we** will pay for accidental **damage** to that **building** as a result of theft or attempted theft of any item or part forming part of the fabric or structure of the **building**.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

6 Contract Works

For the purposes of this extension only, the cover provided in respect of **buildings** is extended to include **contract works**.

We will pay for accidental **damage** to the **contract works** occurring during the **period of insurance**.

We will pay the value of the **contract works** at the time of the **damage** or, at **our** option, **we** will:

- a reinstate
- b replace, or
- c repair the **contract works**

to a condition substantially the same but not better or more extensive than its condition at the time of the **damage**.

We will not pay for **damage** to **contract works** more specifically insured.

Our liability under this extension will not exceed £100,000 in respect of any one contract or agreement and in any one **period of insurance**.

7 Contractors' Interest

If **you** are required under the terms or conditions of any contract or agreement to cover **buildings** in the joint names of **you** and any contractor or subcontractor named in such contract or agreement, **we** agree to note such interest provided that **you** tell **us** the details of any one contract or agreement valued at £100,000 or more prior to the commencement of any work and pay any additional premium required.

8 Further Investigation Expenses

Following accidental **damage** to **buildings**, occurring during the **period of insurance**, by any of the cover causes shown on the **schedule** against **buildings** where a competent construction professional believes there may be more **damage** to other parts of the **building** which is not immediately apparent, **we** will pay for costs incurred by **you**, with **our** prior consent, to have this investigated further.

We will only pay for such costs if **damage** has occurred for which **we** are liable.

Our liability under this extension will not exceed £10,000 in any one **period of insurance**.

Sub-Section B – Contents

The cover described below is only operative if shown on the **schedule**

Cover

Contents of Common Areas and Landlord's Contents

We will pay for accidental **damage** occurring during the **period of insurance** by any of the cover causes shown against each item on the **schedule** to **contents of common areas** or **landlord's contents**.

Extensions to Sub-Section B – Contents

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Theft of Keys

If Cover Cause 4 or 6 is operative, **we** will pay for the cost of replacing locks and keys to the **buildings** or **intruder alarm systems** following accidental **damage** to keys arising out of theft or attempted theft provided that the keys were stolen from the **buildings** or **your** private residence or the private residence of any **director**, **partner** or authorised **employee**.

Our liability under this extension will not exceed £2,500 in any one **period of insurance**.

2 Theft Damage to Buildings

If Cover Cause 4 or 6 is operative, **we** will pay for accidental **damage** to the **buildings** which **you** are responsible for repairing, and which is not otherwise insured, arising out of theft or attempted theft involving entry to or exit from the **buildings** by forcible and violent means.

3 Temporary Removal

We will pay for accidental **damage** to **contents of common areas** or **landlord's contents** by any of the cover causes shown against each item on the **schedule** whilst temporarily removed from the **premises** for cleaning, renovation, repair or similar purposes including whilst in transit by road, rail or inland waterway within the **territorial limits**.

Our liability under this extension will not exceed 25% of the total sum insured shown on the **schedule** for this sub-section or £100,000 whichever is lower.

Sub-Section C – Glass, Blinds and Signs

The cover described below is only operative if shown on the **schedule**

Cover

Glass, Blinds and Signs

We will pay for accidental **damage** occurring at the **premises** during the **period of insurance** by Cover Cause 6 to:

- a any glass fitted to the exterior of the **buildings**
- b **property** insured by this section, within any display windows caused by breakage of any glass
- c fixed glass, (including interior showcases and mirrors) inside the **buildings** up to an amount not exceeding £2,500 in respect of any one loss
- d external signs up to an amount not exceeding £1,500 in respect of any one loss
- e sanitaryware, if the cost of replacement has to be paid by **you**, up to an amount not exceeding £1,500 in respect of any one loss
- f external blinds up to an amount not exceeding £2,500 in respect of any one loss
- g framework following breakage of fixed glass
- h lettering on glass
- i alarm foil for which **you** are responsible.

We will also pay for the cost of boarding up prior to the replacement of any glass insured by this sub-section and the cost of reinstating **intruder alarm systems** at the **premises** damaged as a result of glass breakage covered under this sub-section.

For the purposes of this sub-section, glass will also mean any glass substitute material.

Exclusions to Sub-Section C – Glass, Blinds and Signs

We will not pay for:

- a **damage** arising:
 - i from repairs or alterations to the **premises**
 - ii in **unoccupied premises**
- b **damage** which occurred prior to the commencement of cover under this sub-section
- c **damage** to any glass or sanitaryware comprising samples or display materials held in connection with the **business**
- d scratching or chipping of glass
- e **damage** to electrical signs by:
 - i rust or other gradually operating cause
 - ii mechanical or electrical breakdown
- f **damage** to tubes within electrical signs unless the surrounding glass is fractured at the same time
- g **damage** arising from repair, removal or erection of glass, blinds, signs or sanitaryware
- h scratching or chipping of sanitaryware unless there is breakage or complete fracture of such a nature as to render such article totally unserviceable.

Sub-Section D – Machinery Breakdown

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for loss occurring during the **period of insurance** caused by an accident to **covered equipment**:

- a at the **premises**
- b during **transit** anywhere within the **territorial limits**
- c whilst temporarily removed from the **premises** to a location anywhere within the **territorial limits** provided that the **covered equipment**:
 - i remains under **your** control, or
 - ii is removed for the purpose of repair, replacement, restoration, service or modification.

All **accidents** that are the result of the same event will be considered one **accident**.

Limit

Our liability for each item under this sub-section in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause will not exceed the limit shown for that item on the **schedule**.

Extensions to Sub-Section D – Machinery Breakdown

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Expediting Expenses

We will pay for the extra cost to make temporary repairs and expedite permanent repairs to, or permanent replacement of, damaged **covered equipment** which is the subject of a valid claim under this sub-section. **Our** liability under this extension will not exceed £20,000 for any one **accident**.

2 Hire of Substitute Item

We will pay the hire charges incurred by **you** during the **period of insurance** for the necessary hire, following an **accident** to **covered equipment** which is the subject of a valid claim under this sub-section, of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged. **Our** liability under this extension will not exceed £10,000 for any one **accident**.

3 Costs of Reinstating Data

We will pay the costs incurred in reinstating onto **computer media, data** lost or damaged as a result of an **accident** to or **electrical derangement** of **computer equipment**. In addition, we will pay costs incurred, with **our** prior consent, in minimising or preventing the resulting interruption of or interference with **your** computer operations.

We will not pay for **damage** to software.

Our liability under this extension will not exceed £25,000 for any one **accident** or **electronic derangement** of **computer equipment**.

4 Hazardous Substances

We will pay the additional cost to repair or replace **covered equipment** because of contamination by any substance, other than ammonia, that has been declared to be hazardous to health by a governmental agency including any additional

expenses incurred to clean up or dispose of such **covered equipment**.

Our liability under this extension will not exceed £10,000 for any one **accident**.

5 Storage Tanks and Loss of Contents

We will pay for **damage** caused by an **accident** to oil storage tanks or water tanks including connected pipework belonging to **you** or for which **you** are responsible at the **premises**.

We will also pay for loss of the contents of oil storage tanks caused by:

- a leakage, discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- b contamination of the contents of oil storage tanks caused by or resulting from an **accident** including cleaning costs incurred as a result of such loss.

Our liability under this extension will not exceed £10,000 for any one **accident**.

6 Own Surrounding Property Damage

We will pay for **damage** to **property** at the **premises** belonging to **you** or in **your** custody and control and for which **you** are responsible directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure.

Our liability under this extension will not exceed £1,000,000 for any one **accident**.

7 Debris Removal

We will pay for costs incurred in the removal of debris and protection of **covered equipment** following an **accident** insured under this sub-section.

Our liability under this extension will not exceed £25,000 for any one **accident**.

8 Repair Costs Investigation

We will pay for costs incurred with **our** written consent relating to repair, investigations and tests by consulting engineers for **damage** to **covered equipment** caused by an **accident**.

Our liability under this extension will not exceed £25,000 for any one **accident**.

9 Public Authorities

The limit in respect of Sub-Section D – Machinery Breakdown includes an amount for additional costs incurred solely by reason of the necessity to comply with any legislation, statutory requirements or regulations or public authority byelaw in:

- a reinstating the damaged parts of the **buildings**
- b upgrading any undamaged parts of the **buildings** as a result of an **accident** to **covered equipment** that causes **damage** to **buildings** insured by this **policy**.

We will not pay for:

- i any amount exceeding 15% of the amount that would have been payable if the **buildings** had been totally destroyed in respect of item b above
- ii any such cost resulting from a notice served on **you** prior to the date of the **damage**
- iii the amount of any rate, tax, duty, development or other charge arising out of capital appreciation which may be payable in respect of the **buildings**.

The work of reinstatement or upgrading must be completed within 12 months of the date of the **damage** unless a longer period is agreed by **us** in writing.

10 Hired In Plant

For the purposes of this extension, Hired in Plant means mechanical, electrical or manually powered implements, materials containment, preparation and handling equipment, scaffolding, staging, ladders and similar equipment, site huts, cabins or similar contractors plant and equipment hired in by **you**.

We will pay all sums **you** become legally liable to pay under the terms of the hiring agreement for:

- a physical **damage** to plant hired in by **you**
- b continuing hiring charges for the plant following **damage** insured by this extension

whilst the plant is at the **premises** or whilst in **transit** (other than by sea or air) from one **premises** to another **premises**.

We will cover **your** liability to the extent required by:

- i the Model Conditions for the Hiring of Plant recommended by the Construction Plant-hire Association or the Scottish Plant Owners Association or conditions not more onerous, or
- ii other specific conditions agreed by **us** in writing.

In the event of a loss involving hire conditions more onerous than those covered by this extension the indemnity provided will be limited to liability under a or b above as applicable.

In addition if legal proceedings are initiated against **you** with respect to an incident covered by this extension **we** will also pay legal expenses incurred by **you**, with **our** prior written consent.

We will not be liable for:

- a **damage** to any property on free loan or hire purchase to **you**
- b **damage** to licensed cars, lorries, vans, trucks or other road vehicles which are used in circumstances requiring insurance under any road traffic legislation (other than contractors plant as a tool of trade), quad bikes or motorcycles
- c unexplained losses or losses discovered on the occasion of checks or inventories unless **you** can produce reasonable proof that such losses are as a result of an identifiable incident
- d loss of use of the **property** insured by this extension or **consequential loss** of any kind
- e loss arising from any operation in which a load is shared between any items of lifting plant or lifting equipment unless the lifting operation is conducted in accordance with BS7121.

Our liability under this extension will not exceed £20,000 in any one **period of insurance**.

Exclusions to Sub-Section D – Machinery Breakdown

1 Pressure Testing and Insulation Testing

We will not pay for **damage** caused by or resulting from a hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment.

2 Damage to Data and Computer Media

We will not pay for **damage** to **data** or **computer media** of any kind caused by:

- a programming error or programming limitation
- b **virus**
- c introduction of malicious code
- d loss of **data** (other than as specifically provided for under Extension 3 Costs of Reinstating Data)
- e loss of access
- f loss of use
- g loss of functionality.

3 Gradually Operating Causes

We will not pay for **damage** caused by or resulting from depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions but if **damage** results from an **accident**, **we** will be liable for that resulting **damage**.

4 Resetting

We will not pay for **damage** to **covered equipment** caused by or resulting from any condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting or cleaning or by the performance of maintenance but if **damage** results from an **accident**, **we** will be liable for that resulting **damage**.

5 Maintenance Agreements

We will not pay for **damage** recoverable under any warranty or guarantee or maintenance agreement in place in respect of the **covered equipment**.

6 Service Providers

We will not be liable to pay for any claim, cost or loss caused by the deliberate act of a **service provider** to restrict or withhold the provision of any services.

Conditions to Sub-Section D – Machinery Breakdown

1 Precautions

You shall take reasonable care to:

- a comply with any statute or order
- b ensure that insured items are properly maintained and used in accordance with the manufacturer's recommendations
- c prevent loss or **damage**.

2 Back-up Procedures

- a **You** must back-up all original **data** every seven days.
- b **You** must take all reasonable precautions to store and maintain records in accordance with the recommendations of the makers of the storage devices used.
- c If a **service provider** processes or stores **data** for **you**, **you** must ensure that the terms of the contract with the **service provider** allows for **data** to be backed up in accordance with this condition.

If **you** fail to comply with this condition, **we** may still pay a claim following loss of **data** if **you** are able to provide evidence that formal procedures were in place to ensure the safe storage and backing-up of **data** and that the failure was the result of an accidental oversight or circumstances beyond **your** control.

Extensions to the Property Section

(Subject to the terms, conditions and exclusions of this section and this **policy**)

1 Non Invalidation

The insurance under this section will not be invalidated by any act, omission, alteration or neglect unknown to **you** or beyond **your** control whereby the risk of **damage** is increased provided that **you** give **us** notice immediately on becoming aware of such act, omission, alteration or neglect. **We** will have the right to amend the premium, terms, conditions and exclusions of this **policy**, or may exercise **our** right to cancel this **policy** in accordance with General Condition 6 Our Cancellation Rights.

2 Professional Fees

The sums insured in respect of Sub-Section A – Buildings and Sub-Section B – Contents includes an amount in respect of architects', surveyors', legal and consulting engineers' fees.

We will pay for fees incurred solely in connection with the repair or reinstatement of the insured **property** but not for the costs of preparing any claim.

3 Removal of Debris

The sums insured in respect of Sub-Section A – Buildings and Sub-Section B – Contents includes an amount in respect of the costs incurred by **you** for the:

- a removal of debris of insured **property**
- b dismantling, demolishing, or shoring or propping of the **buildings**

as a result of accidental **damage** within the **territorial limits** by any of the cover causes shown against each item of **buildings** or **property** under Sub-Section A – Buildings and Sub-Section B – Contents on the **schedule**.

We will not pay for the cost of removing debris except from the site of such **damage** and the area immediately adjacent to such site.

4 Parent and Subsidiary Companies

In the event of a claim arising under this section **we** agree to waive any rights, remedies or relief to which **we** become entitled by subrogation against any company standing in the relation of parent or subsidiary to **you** or any company which is a subsidiary of a parent company of which **you** yourself are subsidiary in each case as defined in current legislation.

5 Damage by Emergency Services

We will pay for costs and expenses incurred by **you**, with **our** prior consent, in repairing, reinstating or making good, **damage** to **property** and grounds at the **premises** caused by emergency services equipment and personnel in the course of effecting a rescue of persons within the **buildings** where there is believed to be a threat to their lives, or combating or reducing **damage** to **property**.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

6 Capital Additions

Where **buildings** or **landlord's contents** are shown on the **schedule**, **we** will pay for accidental **damage** by the cover causes shown against such items on the **schedule** to:

- a alterations and additions to, but not appreciation in value of, the **buildings** or **landlord's contents** insured by this **policy**

- b any newly acquired **buildings** or **landlord's contents** within the **territorial limits** so far as they are not otherwise insured provided that:
 - i **you** tell **us** of the alteration, addition or acquisition within 30 days of it occurring
 - ii **you** request a change in this **policy** to cover the alteration, addition or acquisition or arrange specific insurance
 - iii **you** will then pay an additional premium and **we** will tell **you** of any changes to the terms, conditions and exclusions of this **policy**.

Our liability under this extension at any one location will not exceed:

- a in respect of **buildings**, 10% of the total sum insured on **buildings** or £250,000 whichever is lower
- b in respect of **landlord's contents**, 10% of the total sum insured on **landlord's contents** or £5,000 whichever is lower.

For the purposes of this extension only, the definition of **buildings** and **landlord's contents** includes any newly acquired property pending notification to **us** within the 30 day limit.

7 Trace and Access

We will pay for the costs incurred by **you**, with **our** prior consent, in:

- a locating the source of an escape of water or fuel oil from any fixed pipe or apparatus on the **premises**
- b removing any walls, floors or ceilings for access and repairing or replacing them after repair of such pipe or apparatus has been completed provided that **we** will not pay the cost of repairs to the actual pipes or apparatus.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

8 Clearing of Drains

We will pay the costs and expenses incurred by **you** in cleaning, clearing or repairing drains, gutters or sewers at the **premises**, for which **you** are responsible, as a consequence of accidental **damage** by any of the cover causes shown against **buildings** on the **schedule**.

Our liability under this extension will not exceed £10,000 in any one **period of insurance**.

9 Workmen

You can engage workmen to carry out repairs and general maintenance to the **premises** but if the work they are engaged for or are required to do involves:

- a structural alteration
- b demolition or partial demolition
- c compromising of the security protections to the **premises** that **you** have told **us** about and which **we** require as a condition of **your** insurance
- d closure of the **buildings** or the occupant being required to vacate them

you must provide **us** with full details, and obtain **our** agreement, before work is commenced and **we** may advise **you** of restrictions to be imposed or the additional terms **we** require in order for cover to continue.

10 Loss of Oil and LPG

We will pay for the cost to replace oil or LPG accidentally lost from a fixed heating installation as a result of accidental **damage** to the fixed heating installation at the **premises** by any of the cover causes shown against **buildings** on the **schedule** provided that **we** will not be liable for:

- a any loss not discovered within 180 days
- b any loss occurring when the **building**, residential flat or other self-contained unit within a **building** in which the loss occurs is **unoccupied**.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

11 Unauthorised Use of Electricity, Gas or Water

We will pay for electricity, gas or water charges **you** are responsible for arising from unauthorised use by persons taking possession or keeping possession or occupying the **premises** without **your** authority provided that all practical steps are taken to terminate such unauthorised use as soon as it is discovered.

Our liability under this extension will not exceed £10,000 in any one **period of insurance**.

12 Metered Water and Gas Charges

We will pay for metered water and gas charges **you** are responsible for following accidental **damage** by any of the cover causes shown against **buildings** on the **schedule** to the apparatus after the point of the service feed to the **premises** provided that **we** will not be liable for any loss:

- a where **damage** is undiscovered for 180 days or more
- b occurring when the **building**, residential flat or other self-contained unit within a **building** in which the loss occurs is **unoccupied**.

Our liability under this extension will not exceed £10,000 in any one **period of insurance**.

13 Extinguishment and Resetting Expenses

- a **We** will pay up to a maximum limit of £2,500 in respect of any one loss for the cost of:
 - i replacing, recharging or refilling extinguishment materials or appliances used in an attempt to extinguish fire or minimise **damage**
 - ii replacing used sprinkler heads
 - iii resetting fire and **intruder alarm systems** and closed circuit television systems
- b **We** will pay up to a maximum limit of £10,000 in respect of any one loss for the cost of recharging automatic extinguishment systems in line with the manufacturer's recommendations

provided **we** will not be liable for costs other than as a direct result of insured **damage**.

14 Index Linking

The sums insured in respect of **buildings** and **landlord's contents** will be adjusted at monthly intervals in accordance with the index drawn up or used by **us** and **we** waive all right to additional premium arising out of such adjustment prior to renewal. At each renewal of this **policy**, the premium will be adjusted to take account of the effect of indexation in the preceding **period of insurance**.

15 Contents in the Gardens of Residential Property

We will pay for accidental **damage** to **landlords' contents** by Cover Causes 1, 2, 3 or 4 occurring in the open within the garden of a house or flat used solely for residential purposes provided that **we** will not be liable for **damage**:

- a to plants, trees or any growing thing
- b caused while the **buildings** the garden pertains to are **unoccupied**.

Our liability under this extension will not exceed £500 in respect of any one loss.

16 Reletting Costs

We will pay for any costs incurred by **you** in reletting the **buildings** following insured **damage**.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

17 Terrorism

If Terrorism cover is shown on the **schedule**, **we** will pay for **damage** or loss resulting from **damage** to insured **property** as shown on the **schedule** within the **territorial limits** caused by **terrorism** occurring during the **period of insurance** provided that:

- a in any action suit or other proceedings where **we** allege that any **damage** or loss resulting from **damage** is not covered by this extension the burden of proving that such **damage** is covered will be upon **you**
- b this extension is not subject to any of the exclusions specified in this **policy** other than as specified in exclusions i to vii of this extension
- c this extension is subject to all the terms and conditions of this **policy** unless otherwise specified in this extension
- d **our** liability in respect of all losses arising out of any one occurrence and in the aggregate in any one **period of insurance** will not exceed the sums insured or limits shown on the **schedule** in respect of insured **property** or as otherwise specified in the **policy**.

We will not pay for:

- i **damage** to any **building** or **property** therein insured under this **policy**, in the name of an individual or individuals, which is occupied as a private residence or any part thereof which is so occupied except as expressly varied in exclusions ii and iv of this extension
- ii **damage** to blocks of flats and/or private dwelling houses or **property** therein insured under this **policy**, in the name of an individual or individuals, (other than where such individuals are sole traders, partners in an unincorporated business partnership, trustees or executors of a will (or beneficiaries of such trust or will) and provided they do not occupy any part of the property for their own residential purposes)
- iii **damage** to any **building** or **property** therein insured under this **policy**, in the name of an individual or individuals (where such individuals are trustees or executors of a will or beneficiaries of such trust or will), which is occupied as a private residence where any part of the **building** is occupied by such individuals except as expressly varied in exclusion iv of this extension
- iv **damage** to any **building** or **property** therein comprising mixed commercial and residential usage which is insured under this **policy**, in the name of an individual or individuals, and/or owned and/or occupied in any part by such individual or individuals unless the commercially occupied proportion of the **building** is more than 20%

- v chemical, biological or radioactive contamination defined as any losses whatsoever or any expenditure resulting or arising therefrom or any **consequential loss** directly or indirectly caused by or contributed to by or arising from:
 - a the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - b ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
 - c chemical, biological or radiological irritants, contaminants or pollutants
 in respect of properties occupied as a private residence or any part thereof which is so occupied and/or **property** therein insured under this **policy**, in the name of an individual or individuals, except where such properties are insured for **terrorism** under this extension by virtue of the variations to exclusions ii or iv of this extension
- vi riot, civil commotion, war and allied risks defined as any loss whatsoever directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
- vii remote digital interference defined as any losses whatsoever directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from:
 - a **damage** to any **system**, or
 - b any alteration, modification, distortion, erasure or corruption of **data**
 whether owned by **you** or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus** or **hacking** or **phishing** or **denial of service attack**.

Proviso to exclusion vii

- 1 **We** will pay for the cost of reinstatement, replacement or repair in respect of **damage** to insured **property**
- 2 **We** will pay for loss of **rent receivable** as a result of interruption of or interference with the **business** as a direct result of either:
 - a **damage** to insured **property**, or
 - b **damage** to other **property** within one mile of the insured **property** by **terrorism** which prevents or physically hinders the use of or access to the insured **property**
- 3 **Our** liability for any loss under items 1 or 2 of this proviso (which would otherwise fall within exclusion vii of this extension) is on the condition that such loss:
 - i results directly from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, **damage** to or movement of **buildings** or structures, plant or machinery other than any **system**, and
 - ii is not proximately caused by **terrorism** in relation to which the relevant organization or any persons acting on behalf of or in connection with that organization are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.
- 4 If the **damage** to insured **property** indirectly results from any alteration, modification, distortion, erasure or corruption of **data** because the occurrence of one or more of the causes listed in item 3 i of this proviso results

directly or indirectly from any alteration, modification, distortion, erasure or corruption of **data**, **we** will pay **you** in accordance with items 1 or 2 of this proviso.

- 5 **We** will not pay for any losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **data** other than under item 4 of this proviso.

For the purposes of this proviso only, the definition of **property** excludes **data**, **money**, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatsoever.

Condition to Extension 17 Terrorism

If this **policy** is subject to any Long Term Agreement or Undertaking it does not apply to this extension.

Condition Precedent to Liability to Extension 17 Terrorism

It is a condition precedent to **our** liability to pay claims that:

- a **you** have purchased cover in respect of **terrorism** from a Pool Reinsurance Company Limited member company in respect of all property and premises owned by **you** or for which **you** are responsible and that are eligible for such cover. A list of Pool Reinsurance Company Limited member companies is available via the Pool Re website
- b the Treasury has issued a certificate certifying that **terrorism** is the cause of the loss or **damage** or, if the Treasury has refused to issue a certificate, a tribunal formed by agreement between **us** and Pool Reinsurance Company Limited concludes that terrorism was the cause of the loss or **damage**.

For the purposes of this condition, property and premises owned by **you** or for which **you** are responsible includes those pertaining to subsidiary companies unless such subsidiary has full control over its own insurance arrangements.

18 Terrorism – Residential Property

We will pay for **damage** to any **building** or **property** therein and subsequent loss of **rent receivable** or **cost of alternative accommodation** within the **territorial limits** caused by **terrorism** occurring during the **period of insurance** provided that:

- a the **buildings** are used exclusively as a private residence
- b the **property** is insured under this **policy**, in the name of an individual or individuals, (other than sole traders, partners in an unincorporated business partnership, trustees or executors of a will (or beneficiaries of such trust or will) unless any such individual occupies any part of the property for their own residential purposes)
- c in respect of **damage** to insured **property** and subsequent loss of **rent receivable** or **cost of alternative accommodation**, **our** liability in total for any one loss occurrence will not exceed the applicable sums insured or limits shown on the **schedule** or as otherwise specified in the policy wording.

We will not pay for any loss or **damage** whatsoever or any expenditure resulting or arising therefrom or any **consequential loss** directly or indirectly caused by or contributed to by or arising from:

- i chemical, biological or radiological irritants, contagions, contaminants, pollutants or germs including the threat of release or explosion of such
- ii the use or threat of use or explosion of any nuclear device or radioactive substance.

For the purpose of this extension, a loss occurrence means all individual losses arising during a continuous period of twelve hours.

19 Other Interested Parties

The cover provided by this section includes the interest of other parties in any item of insured **property** which forms the subject of a lease, loan or mortgage agreement or a written contract of hire between **you** and the interested party provided that, in the event of a claim, the nature and extent of such interest is disclosed to **us**.

20 Sprinkler Upgrade Costs

We will pay for the costs incurred by **you**, with **our** prior consent, following accidental **damage** to insured **property** by any of the cover causes shown on the **schedule**, occurring during the **period of insurance**, to upgrade an automatic sprinkler system within the **buildings** in order to comply with current Loss Prevention Council (LPC) rules provided that:

- at the time of the **damage** the system conformed to the LPC rules applicable at the date of its installation
- the sprinkler installation has a complete service record up to the date of the **damage**.

21 Fly Tipping

We will pay for the costs incurred by **you**, with **our** prior consent, in removing property illegally deposited during the **period of insurance** within the boundaries of the **premises** including the cost of cleaning of the **premises** after such removal.

Our liability under this extension will not exceed £25,000 in respect of any one loss and £100,000 in any one **period of insurance**.

We will not pay for any fly tipping occurring when the **premises** are **unoccupied**.

22 Illegal Cultivation of Drugs

We will pay for costs incurred by **you**, with **our** prior consent, for clean-up and remedial works as a consequence of the use of any **building** for the manufacture, cultivation, harvesting or processing of any drug, classed as a controlled substance under the Misuse of Drugs Act 1971, by **your** tenant, lessee or licensee without **your**, or any **director** or **partner's** knowledge or consent during the **period of insurance**.

It is a condition precedent to **our** liability to pay claims under this extension that **you** must:

- obtain and record formal identification of any tenant, lessee or licensee
- obtain and retain a written employers' or local authority reference for any new tenant, lessee or licensee
- carry out an internal inspection of all parts of the **building** at least annually.

Our liability under this extension will not exceed £5,000 in any one **period of insurance**.

23 Unauthorised Occupation

If, during the **period of insurance**, unauthorised persons take possession, keep possession or occupy the **premises**, **we** will pay for the costs incurred by **you**, with **our** prior consent, in terminating such unauthorised use.

Our liability under this extension will not exceed £5,000 in respect of any one loss and £25,000 in any one **period of insurance**.

24 Tree Felling or Lopping

We will pay for costs incurred by **you**, with **our** prior consent, for felling or lopping of trees at the **premises** where they pose an immediate threat to the safety of persons or the **buildings**.

Our liability under this extension will not exceed £500 in respect of any one loss and £2,500 in any one **period of insurance**.

The **excess** in respect of this extension is £50 and not as otherwise shown on the **schedule**.

25 Removal of Nests

We will pay for costs incurred by **you**, with **our** prior consent, in removing wasps' or bees' nests from the **premises**.

Our liability under this extension will not exceed £1,000 in respect of any one loss.

The **excess** in respect of this extension is £50 and not as otherwise shown on the **schedule**.

Exclusions to the Property Section

We will not pay for:

- the amount of the **excess** shown on the **schedule**
- damage** to:
 - vehicles licensed for road use (including their accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - property** or structures in the course of construction or erection and materials or supplies in connection with all such **property** in course of construction or erection unless otherwise stated
 - land (other than item h of the **buildings** definition), piers, jetties, bridges, culverts or excavations
 - animals, growing crops, plants or trees
- damage to property** which at the time of the happening of **damage** is insured by or would but for the existence of this **policy** be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this **policy** not been effected
- damage** to any **property** more specifically insured
- reduction in value
- consequential loss** of any kind
- wear and tear.

Basis of Settlement

We will pay **you** the value of the **property** insured at the time of the **damage** or, at **our** option, reinstate, replace or repair such **property** or any part of such **property** in accordance with the following bases of settlement. **We** will not be bound to reinstate exactly, but only as circumstances permit. **We** will not pay for the costs of preparing any claim.

The maximum amount **we** will pay for **damage** to any **property** is the sum insured or limit shown on the **schedule** in respect of that **property** (subject to any inner limit otherwise specified in the policy wording) and adjusted in accordance with Extension 14 Index Linking to the Property Section.

1 Reinstatement

For items insured by Sub-Section C – Glass, Blinds and Signs or where no Declared Value is shown on the **schedule**, the basis of settlement of any claim shall be the full cost of replacement as new which shall be:

- a where **property** is damaged, the repair of the **damage** and the restoration of the damaged portion of the **property** to a condition substantially the same but not better or more extensive than its condition when new
- b where **property** is lost, destroyed or damaged beyond economic repair, its replacement by similar **property** in a condition equal to but not better or more extensive than its condition when new.

Special Provisions

The following special provisions apply when a claim is dealt with on this basis:

- i if replacement does not happen within 12 months of the **damage**, or longer period if agreed in writing by **us**, **we** will settle the claim in accordance with Basis of Settlement 2 Indemnity
- ii when any **property** insured under this section is damaged in part only, **our** liability will not exceed the sum representing the cost which **we** could have been called upon to pay for the replacement if such **property** had been wholly destroyed
- iii no payment beyond indemnity shall be made until the cost of replacement shall have been actually incurred.

2 Indemnity

For **buildings** where **we** have confirmed an indemnity basis of settlement, the amount **we** will pay following insured **damage** is the cost of:

- a rebuilding, or
- b repair of the damaged portion of the **building** to a condition equal to but not better or more extensive than its condition immediately prior to the **damage** (less a reduction for wear and tear).

If **you** decide not to rebuild or repair the **building** (and **we** do not exercise **our** option to rebuild or repair), the amount **we** will pay is the diminution in its market value immediately following the **damage** but not exceeding the amount that would have been payable if the **building** had been rebuilt or repaired.

If the **building** was awaiting demolition at the time of the **damage**, the amount **we** will pay is the cost of:

- i dismantling or demolishing of the **buildings**
- ii removal of debris.

We will not pay for costs incurred in removing debris except from the site of such **damage** and the area immediately adjacent to such site.

For any other **property** where I is shown as the basis of settlement on the **schedule**, the amount **we** will pay following insured **damage** is the cost of repair or replacement (less a reduction for wear, tear and depreciation) up to the trade market value of the item in a condition equal to but not better or more extensive than its condition immediately prior to the **damage**.

3 Day One

For items where a Declared Value is shown on the **schedule**, the basis of settlement of any claim shall be the full cost of replacement as new which shall be:

- a where **property** is damaged, the repair of the **damage** and the restoration of the damaged portion of the **property** to a condition substantially the same but not better or more extensive than its condition when new
- b where **property** is lost, destroyed or damaged beyond economic repair, its replacement by similar **property** in a condition equal to but not better or more extensive than its condition when new

provided **you** tell **us**, at inception of this **policy** and at the inception of each subsequent **period of insurance**, the **declared value** of each item of **property** insured on this basis.

Loss of Rent Section

Sub-Section A – Rent

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for loss of **rent receivable** as a result of accidental **damage** occurring during the **period of insurance** to insured **property** at the **premises** by any of the cover causes shown against this sub-section on the **schedule**.

We will calculate the loss of **rent receivable** as follows:

- a in respect of the reduction in **rent receivable** due to the **damage**, the amount by which **rent receivable** during the **indemnity period** shall in consequence of the **damage** fall short of the amount that should have been received, and
- b **increase in cost of working** but not exceeding the reduction of **rent receivable** avoided

less any sum saved during the **indemnity period** for charges and expenses payable out of **rent receivable** which reduce or cease.

Extensions to Sub-Section A – Rent

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Accountants' and Auditors' Charges

We will pay for charges payable by **you** to **your** accountants or auditors for producing particulars, details, proofs, information or evidence that **we** may require.

2 Documents

We will cover **you** for loss resulting from interruption of or interference with the **business** as a direct result of accidental **damage** occurring during the **period of insurance** to computer records, documents, manuscripts and business books belonging to **you** or held in trust by **you** by any of the cover causes shown on the **schedule** against this sub-section whilst temporarily at premises not in **your** occupation or whilst in transit by road, rail or inland waterway in the **territorial limits** and travelling between the specified territories.

3 Denial of Access

We will pay for loss of **rent receivable** as a direct result of accidental **damage** occurring during the **period of insurance** to **property** within a radius of 1km of the **premises** or **your** managing agents' premises by any of the cover causes shown on the **schedule** against this sub-section which prevents or physically hinders the use of or access to the **premises** or **your** managing agents' premises.

The Property Insurance exclusion to the Loss of Rent Section does not apply to this extension.

4 Public Utilities

We will pay for loss of **rent receivable** as a direct result of accidental failure occurring during the **period of insurance** of:

- a wireless or wired telecommunications services
 - b the public supply of water, electricity or gas at the terminal ends of the supply company's feed
- at the **premises** provided that **we** will not be liable for:
- i the deliberate act of the supplier to restrict or withhold the supply
 - ii atmospheric, solar or lunar conditions causing interference with transmissions to or from any satellite
 - iii a fault in any part of the installation **you** are responsible for at the **premises**
 - iv drought
 - v any failure of wireless or wired telecommunications services or a public supply which lasts less than 24 consecutive hours.

The Property Insurance exclusion to the Loss of Rent Section does not apply to this extension.

5 Managing Agents

We will pay for loss of **rent receivable** as a direct result of accidental **damage** occurring during the **period of insurance** to **property** at the premises of **your** managing agents by any of the cover causes shown on the **schedule** against this sub-section.

We will not pay for:

- a any loss as a result of **damage** at any premises not within the **territorial limits**
- b any amount in excess of £25,000 in any one **period of insurance**.

The Property Insurance exclusion to the Loss of Rent Section does not apply to this extension.

6 Automatic Increase in Sum Insured

The sum insured by this sub-section is increased by an amount not exceeding 100% to allow for increases arising out of rent reviews occurring within the **indemnity period**. This extension shall not apply in respect of increases already agreed at the inception of the **period of insurance** in which the loss occurs.

7 Diseases (Premises), Poisoning, Vermin, Defective Drains, Murder or Suicide

We will pay for loss of **rent receivable** resulting from interruption of or interference with the **business** as a direct result of:

- a any occurrence of the following diseases, or discovery of an organism which causes the following diseases, at the **premises**:
acute encephalitis, acute poliomyelitis, anthrax, chicken pox, cholera, diphtheria, dysentery, legionellosis, legionnaires disease, leprosy, leptospirosis, malaria, measles, meningococcal infection, mumps, paratyphoid fever, plague, rabies, rubella, scarlet fever, tetanus, tuberculosis, typhoid fever, viral hepatitis, whooping cough or yellow fever
- b any occurrence of food or drink poisoning attributable to food or drink supplied from the **premises**
- c the discovery of vermin or pests at the **premises** which causes restrictions on the use of the **premises** on the order or advice of the local authority
- d any accident causing defects in the drains or other sanitary arrangements at the **premises** which causes restrictions on the use of the **premises** on the order or advice of the local authority
- e any occurrence of murder or suicide at the **premises** during the **period of insurance**.

We will not pay for:

- i any costs incurred in the cleaning, repair, replacement, recall or checking of property or the **premises**
- ii any amount in excess of £100,000 in any one **period of insurance**.

For the purposes of this extension, the **indemnity period** means the period during which the results of the **business** are affected in consequence of the occurrence, discovery or accident beginning:

- a in the case of a, b and e above, with the date of the occurrence or discovery (whichever occurs first), or
- b in the case of c and d above, with the date from which local authority restrictions are applied to the **premises** and ending not later than three months thereafter.

The Property Insurance exclusion to the Loss of Rent Section does not apply to this extension.

8 Loss of Attraction

We will pay for loss of **rent receivable** as a direct result of accidental **damage** occurring during the **period of insurance** to **property** within a radius of 1km of the **premises** by any of the cover causes shown on the **schedule** against this sub-section which:

- a solely and directly results in a fall in the number of customers to the **premises**
- b avoids or delays an agreement which is in the course of negotiation to rent or lease the **buildings**.

We will not pay for:

- i any loss during the first 24 hours of the **indemnity period**
- ii any loss arising from or in connection with the obstruction of roads, streets or any other rights of way due to weather or climatic conditions
- iii any amount in excess of £100,000 in any one **period of insurance**.

For the purposes of this extension, the **indemnity period** is three months and not as otherwise stated.

The Property Insurance exclusion to the Loss of Rent Section does not apply to this extension.

9 Buildings Awaiting Sale

If, at the time of **damage** insured by this **policy**, **you** have contracted to sell **your** interest in any **building** at the **premises** and the sale is cancelled or delayed solely in consequence of the **damage**, the amount payable by **us** under this sub-section may, at **your** option, be as follows:

- 1 during the period prior to the date upon which but for the **damage** the **building** would have been sold, the reduction in the **rent receivable** solely in consequence of the **damage**
- 2 during the period commencing with the date upon which but for the **damage** the **building** would have been sold and ending with the actual date of sale or when the building has been restored to its pre-damaged condition or with the expiry of the **indemnity period** whichever is earlier during which the results of the **business** are affected in consequence of the **damage**
 - a 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 the deduction of any capital borrowed as provided for under item a i above) less any **rent receivable**.
 - b the additional expenditure being:
 - i additional expenses incurred in consequence of the **damage** solely to avoid or minimise the loss payable under 1 and 2 above but not exceeding the amount of loss avoided by such expenditure
 - ii additional legal fees or other costs incurred solely as a result of the cancellation or delay of the sale in consequence of the **damage** but not exceeding an amount equivalent to the expenditure incurred immediately prior to the **damage**.

Provided that the amount payable under this extension will not exceed the **rent receivable** that would have been earned had the **building** been leased or rented.

Sub-Section B – Alternative Accommodation

The cover described below is only operative if shown on the **schedule**

Cover

If any **building** or portion of any **building** which is occupied as a private residence is rendered uninhabitable or inaccessible as a direct result of accidental **damage** occurring during the **period of insurance** to such **building** by any of the cover causes shown against Sub-Section B – Alternative Accommodation on the **schedule**, **we** will pay for the:

- a **cost of alternative accommodation** for **you** or **your** tenants or lessees
- b cost of temporary storage of **your** or **your** tenants' or lessees' furniture
- c cost of temporary accommodation for **your** or **your** tenants' or lessees' domestic pets where such pets normally reside with **you** or them but are not permitted in the alternative accommodation provided under item a above incurred by **you** during the **indemnity period**.

We will not be liable for costs arising:

- i once the **buildings** become habitable or accessible again
- ii after the **indemnity period** shown on the **schedule** has expired.

Extensions to Sub-Section B – Alternative Accommodation

(Subject to the terms, conditions and exclusions of these sub-sections, this section and this **policy**)

1 Denial of Access

We will pay for the **cost of alternative accommodation** as a direct result of accidental **damage** occurring during the **period of insurance** by any of the cover causes shown on the **schedule** against this sub-section to **property** within a radius of 1km of the **premises** which prevents or physically hinders the use of or access to the **premises**.

The Property Insurance exclusion to the Loss of Rent Section does not apply to this extension.

2 Public Utilities

We will pay for the **cost of alternative accommodation** as a direct result of accidental failure occurring during the **period of insurance** of:

- a wireless or wired telecommunications services
 - b the public supply of water, electricity or gas at the terminal ends of the supply company's feed
- at the **premises** provided that **we** will not be liable for:
- i the deliberate act of the supplier to restrict or withhold the supply
 - ii atmospheric, solar or lunar conditions causing interference with transmissions to or from any satellite
 - iii a fault in any part of the installation **you** are responsible for at the **premises**
 - iv drought
 - v any failure of wireless or wired telecommunications services or a public supply which lasts less than 24 consecutive hours.

The Property Insurance exclusion to the Loss of Rent Section does not apply to this extension.

Sub-Section C – Machinery Breakdown

The cover described below is only operative if Sub-Section A – Rent is shown on the **schedule**

Cover

We will pay for loss of **rent receivable** occurring during the **period of insurance** directly arising from an **accident** to **covered equipment** occurring:

- a at the **premises**
- b during **transit** anywhere in the **territorial limits**
- c whilst temporarily removed from the **premises** to a location anywhere within the **territorial limits** provided that the **covered equipment**:
 - i remains under **your** control, or
 - ii is removed for the purpose of repair, replacement, restoration, service or modification

provided **we** have admitted liability under Sub-Section D – Machinery Breakdown of the Property Section.

Limit

We will pay for loss of **rent receivable** as calculated under Sub-Section A – Rent, subject to the limit shown on the **schedule** for Sub-Section C – Machinery Breakdown.

Extensions to Sub-Section C – Machinery Breakdown

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Computer Operations

We will pay for costs incurred in minimising or preventing interruption of or interference with **your** computer operations following an **accident** to, or **electronic derangement** of, **computer equipment** insured by the Property Section for which **we** have admitted liability under Sub-Section D – Machinery Breakdown. **Our** liability under this extension will not exceed £50,000 in any one **period of insurance**.

2 Additional Access Costs

We will pay for additional costs incurred in order to gain access to repair or replace the **covered equipment** following an **accident**. **Our** liability under this extension will not exceed £20,000 for any one **accident** and £100,000 in any one **period of insurance**.

3 Service Providers

We will pay for loss as calculated under Sub-Section A – Rent, up to the limit shown on the **schedule** for Sub-Section C – Machinery Breakdown, directly arising from an **accident** to **covered equipment** which occurs at **your service provider's** premises.

The proviso that liability must be admitted under Sub-Section D – Machinery Breakdown of the Property Section does not apply to this extension.

4 Public Relations Costs

In the event of financial loss and with **our** prior written agreement **we** will pay the cost for the services of a professional public relations firm to assist **you** in creating and disseminating communications to:

- a the media
- b the public
- c **your** customers and clients.

Exclusions to Sub-Section C – Machinery Breakdown

1 Back-up Procedures

We will not be liable for delay in resuming operations due to the need to reconstruct or re-input **data** or programs on **computer media** where **you** have not fully complied with Condition 2 Back-up Procedures to Sub-Section D – Machinery Breakdown of the Property Section.

2 Own Surrounding Property Damage

We will not be liable under this sub-section for loss resulting from the explosion or collapse of any **covered equipment** operating under steam pressure.

Automatic Rent and Alternative Accommodation Cover

(Buildings or Portions of Buildings Occupied as a Private Residence)

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for loss of **rent receivable** and the **cost of alternative accommodation** in accordance with Sub-Section A – Rent and Sub-Section B – Alternative Accommodation (including the extensions to each sub-section) solely in respect of any **building** or portion of any **building** occupied as a private residence.

The cover provided is subject to:

- a the applicable cover causes being as shown on the **schedule** against Sub-Section A – Buildings of the Property Section
- b the total amount payable for loss of **rent receivable** and the **cost of alternative accommodation** combined not exceeding 20% of the sum insured shown on the **schedule** in respect of Sub-Section A – Buildings of the Property Section (or in respect of the extensions to Sub-Section A – Rent, the limit stated therein if lower)
- c a maximum **indemnity period** of 36 months (unless otherwise stated).

Cover excludes Sub-Section C – Machinery Breakdown.

Extension to the Loss of Rent Section

Terrorism

Terrorism cover is provided only if payment has been made under Extension 17 Terrorism or Extension 18 Terrorism – Residential Property of the Property Section. Any payment in respect of **terrorism** under this section will be subject to the same exclusions and conditions applicable to such extension.

Exclusion to the Loss of Rent Section

Property Insurance

Unless otherwise stated, we will not pay for loss of **rent receivable** or **cost of alternative accommodation** unless at the time of the **damage** to **property** causing such loss or costs, there is in force an insurance policy covering **your** interest in the **property** for the **damage** suffered and:

- a payment has been made or liability admitted for the **damage**, or
- b payment would have been made or liability would have been admitted for the **damage** but for the exclusion of losses below a stated amount or percentage in the policy.

Basis of Settlement

1 Maximum Payable

The maximum amount we will pay under this section will not exceed in any one **period of insurance** the sums insured and limits shown on the **schedule** (subject to any inner limit otherwise specified in the policy wording).

2 Value Added Tax (VAT)

To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of this tax.

Liability Section

Sub-Section A – Employers’ Liability

The cover described below is only operative if shown on the **schedule**

Cover

We will pay the amount of damages and **claimants’ costs and expenses** which **you** become legally liable to pay in respect of accidental **injury** sustained by any **employee** caused during the **period of insurance**, arising out of and in the course of their engagement by **you** for the purposes of the **business** and happening within the **territorial limits**.

We will also pay **your costs and expenses**.

Limit of Indemnity

The maximum amount **we** will pay under this sub-section in respect of one claim or series of claims arising out of one occurrence or all occurrences of a series consequent on or attributable to one original source or cause including all compensation, **claimants’ costs and expenses** and **your costs and expenses** will not exceed:

- a in respect of **terrorism**, £5,000,000
- b in respect of all claims other than **terrorism**, the employers’ liability limit of indemnity shown on the **schedule** for this sub-section.

If **we** allege that by reason of the **terrorism** limitation any **injury**, cost or expense is not covered or is covered only up to the **terrorism** limit of indemnity, the burden of proving the contrary shall be upon **you**.

Where more than one party is entitled to indemnity under this sub-section, **our** total combined liability to all parties will not exceed the applicable limit of indemnity shown in a or b above.

Extensions to Sub-Section A – Employers’ Liability

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Indemnity to Principal

We will, at **your** request, treat any **principal** as though they were **you** in respect of accidental **injury** arising out of the performance of work by **you** for the **principal** provided that:

- a **you** would have been liable if the claim had been made against **you**
- b the **principal** complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- c the conduct and control of all claims is vested in **us**
- d **our** liability shall be limited to only what is required by the contract between **you** and the **principal**.

2 Indemnity to Directors, Partners and Employees

We will, at **your** request, treat **directors, partners** or **employees** as though they were **you** in respect of claims made against them provided they comply with and be subject to the terms, conditions and exclusions of this **policy** in so far as they can apply.

3 Cross Liabilities

Where more than one person is shown as the Insured on the **schedule**, this sub-section shall apply separately to each person named in the same way as if a separate sub-section had been issued to each of them.

4 Court Attendance

We will pay **you** the amounts shown below for each day such persons are required to attend court in connection with a claim for which **you** are entitled to indemnity under this sub-section:

- a **you** or any **director** or **partner** £500
- b any **employee** £250.

5 Corporate Manslaughter – Legal Defence Costs

We will pay **your costs and expenses** and prosecution costs awarded against **you** incurred in connection with the defence of criminal proceedings brought against **you**, or any appeal against conviction, in respect of a charge, or investigation in connection with a charge, of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007, for an offence committed, or alleged to have been committed, in the course of the **business** during the **period of insurance** provided that **we** will not be liable:

- a for the payment of fines or penalties
- b for costs in connection with a charge relating to an incident which was as a result of an intentional or deliberate breach of, or reckless disregard for statutory regulations
- c for costs arising from an offence committed, or alleged to have been committed outside the **territorial limits**
- d for costs in connection with proceedings for which a claim has been admitted under Sub-Section B – Public Liability of the Liability Section
- e for the costs of any appeal against conviction unless in the opinion of counsel, appointed by mutual agreement of **you** and **us**, the appeal is more likely to succeed than not
- f if an indemnity is provided by any other insurance.

If, in addition to a claim under this extension, **you** also have a claim under any section or sub-section of this **policy** arising from the same cause or occurrence, any amounts already paid, or incurred but not yet paid, for **your costs and expenses** and prosecution costs will be deducted from the total amount payable under this extension.

6 Health and Safety at Work etc. Act 1974 – Legal Defence Costs

We will cover **you**, and at **your** request, any **director, partner** or **employee**, in respect of **your costs and expenses** incurred in the defence of a prosecution and prosecution costs awarded against **you**, including an appeal against a conviction, brought for a breach of:

- a the Health and Safety at Work etc. Act 1974
- b the Health and Safety at Work (Northern Ireland) Order 1978

provided that:

- i the offence under such legislation is alleged to have been committed during the **period of insurance** in connection with the **business** and relates to the health, safety and welfare of an **employee**
- ii **we** will not be liable:
 - a for the payment of fines and penalties
 - b for costs in connection with a charge or investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
 - c for costs arising from any offence committed, or alleged to have been committed, outside the **territorial limits**
 - d unless each **director, partner** or **employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
 - e if an indemnity is provided by any other insurance.

7 Unsatisfied Court Judgments

If a judgment for damages or costs is obtained by an **employee** or their personal representatives for an **injury** sustained by the **employee** within the **territorial limits**, **we** will, at **your** request, pay to the **employee**, or their personal representatives, the amount of such compensation to the extent that it remains unsatisfied provided that:

- a the **injury** is caused during the **period of insurance**
- b the **injury** arises out of their engagement by **you** in the course of the **business**
- c the judgment remains unsatisfied in whole or in part six months after the date of such judgment
- d the judgment for damages was obtained in a court of law within the **territorial limits**
- e the judgment was against a company, partnership or individual other than **you**, conducting business at or from premises within the **territorial limits**
- f the judgment is not the subject of an outstanding appeal
- g if any payment is made under the terms of this extension the **employee** or the personal representatives of the **employee** shall assign the judgment to **us**.

8 Injury to a Working Partner or Proprietor

If **you** are a sole trader with at least one **employee** or a business partnership, **we** will regard as an **employee** any working **partner** or proprietor of the **business** who sustains an accidental **injury** provided that such **injury** is:

- a sustained by the working **partner** or proprietor whilst working in connection with the **business** during the **period of insurance** and within the **territorial limits**
- b caused by the negligence of another working **partner** or an **employee**.

9 Temporary Work Overseas

We will cover **you** in respect of legal liability incurred by **you** for accidental **injury** to **directors** or **employees** (normally resident within the **territorial limits**) sustained during visits or work undertaken by them, in connection with the **business**, elsewhere in the world provided that:

- a the duration of such work does not exceed six months during the **period of insurance**
- b such visits or work consists solely of clerical, sales promotion or administrative work or participation in, but not the hosting or management of, exhibitions, trade shows or conferences.

Exclusions to Sub-Section A – Employers' Liability

Use of Vehicles

We will not pay for liability for **injury** for which **you** are required to arrange insurance or security in accordance with road traffic legislation.

Condition to Sub-Section A – Employers' Liability

Right of Recovery Condition

The cover provided by this sub-section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **employees** within the **territorial limits** but **you** shall repay to **us** all sums paid by **us** which **we** would not have been liable to pay but for the provisions of such law.

Sub-Section B – Public Liability

The cover described below is only operative if shown on the **schedule**

Cover

We will pay the amount of damages and **claimants' costs and expenses** which **you** become legally liable to pay in respect of accidental:

- a **injury**
- b **damage to property**
- c obstruction, trespass, nuisance or interference with any right of way, light, air or water occurring during the **period of insurance** and arising out of and in the course of the **business** and within the **territorial limits**.

We will pay **your costs and expenses** in addition.

Limit of Indemnity

The maximum amount **we** will pay under this sub-section in respect of one claim or series of claims arising out of one occurrence or all occurrences of a series consequent on or attributable to one original source or cause will not exceed:

- a in respect of **terrorism**, £2,000,000 or the public liability limit of indemnity shown on the **schedule** for this sub-section whichever is lower
- b in respect of all claims other than **terrorism**, the public liability limit of indemnity shown on the **schedule** for this sub-section.

Where liability arises out of or in connection with **terrorism**, **our** maximum liability including damages, **claimants' costs and expenses** and **your costs and expenses** will not exceed £2,000,000 or the public liability limit of indemnity shown on the **schedule** for this sub-section whichever is lower.

If **we** allege that by reason of the **terrorism** limitation any **damage, injury**, cost or expense is not covered or is covered only up to the **terrorism** limit of indemnity, the burden of proving the contrary will be upon **you**.

All **pollution or contamination** arising out of one occurrence will be deemed to have occurred at the time such occurrence takes place.

Our total liability for all **pollution or contamination** which is deemed to have occurred during any one **period of insurance** will not exceed the public liability limit of indemnity shown on the **schedule**.

Where more than one party is entitled to indemnity under this sub-section, **our** total combined liability to all parties will not exceed the applicable limit of indemnity shown in a or b above.

Extensions to Sub-Section B – Public Liability

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Leased, Hired or Rented Premises

We will cover **you** in respect of legal liability incurred by **you** as tenant of premises **you** lease, rent or hire for the purposes of the **business** within the **territorial limits** in respect of:

- a **damage** to buildings including any landlord's fixtures and fittings caused by any of Cover Causes 1, 2 or 4
- b reinstatement or repair of accidental **damage** to the underground water pipes, gas pipes, drains or sewers, electricity and telephone cables extending from the public mains to the buildings occupied by **you** in connection with the **business** but excluding **consequential loss** of any kind or description

provided that **we** will not be liable for liability attaching to **you** solely by the terms of the tenancy or any other agreement.

2 Indemnity to Directors, Partners and Employees

We will, at **your** request, treat **directors, partners** or **employees** as though they were **you** in respect of claims made against them provided they comply with and be subject to the terms, conditions and exclusions of this **policy** in so far as they can apply.

3 Cross Liabilities

Where more than one person is shown as the Insured on the **schedule** this sub-section shall apply separately to each person named in the same way as if a separate sub-section had been issued to each of them.

4 Court Attendance

We will pay **you** the amounts shown below for each day such persons are required to attend court in connection with a claim for which **you** are entitled to indemnity under this sub-section:

- a **you** or any **director** or **partner** £500
- b any **employee** £250.

5 Corporate Manslaughter – Legal Defence Costs

We will pay **your costs and expenses** and prosecution costs awarded against **you** incurred in connection with the defence of criminal proceedings brought against **you**, or any appeal against conviction, in respect of a charge, or investigation in connection with a charge, of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007, for an offence committed, or alleged to have been committed, in the course of the **business** during the **period of insurance** provided that **we** will not be liable:

- a for costs in connection with a charge or investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- b for costs arising from an offence committed, or alleged to have been committed, outside the **territorial limits**
- c for costs in connection with proceedings for which a claim has been admitted under Sub-Section A – Employers' Liability
- d for the costs of any appeal against conviction unless in the opinion of counsel, appointed by mutual agreement of **you** and **us**, the appeal is more likely to succeed than not
- e if an indemnity is provided by any other insurance.

If, in addition to a claim under this extension, **you** also have a claim under any section or sub-section of this **policy** arising from the same cause or occurrence, any amounts already paid, or incurred but not yet paid, for **your costs and expenses** and prosecution costs will be deducted from the total amount payable under this extension.

6 Health and Safety at Work etc. Act 1974 – Legal Defence Costs

We will cover **you** and, at **your** request, any **director, partner** or **employee**, in respect of **your costs and expenses** incurred in the defence of a prosecution and prosecution costs awarded against **you**, including an appeal against a conviction brought for a breach of:

- a the Health and Safety at Work etc. Act 1974
- b the Health and Safety at Work (Northern Ireland) Order 1978

provided that:

- i the offence under such legislation:
 - a is alleged to have been committed during the **period of insurance** in connection with the **business**, and
 - b does not relate to the health, safety and welfare of an **employee**
- ii **we** will not be liable:
 - a for costs in connection with a charge or investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
 - b for costs arising from any offence committed, or alleged to have been committed, outside the **territorial limits**
 - c unless each **director, partner** or **employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
 - d if an indemnity is provided by any other insurance.

7 Data Protection Act 1998

We will pay:

- a the amount of compensation which **you** become legally liable to pay in respect of damage or distress under the provisions of Section 13, and
- b for defence costs and prosecution costs awarded against **you** in respect of a prosecution under Section 60 of the Data Protection Act 1998 subject to the act or omission from which the legal liability, defence or prosecution cost arises occurring during the **period of insurance** and in the course of the **business** and **you** being included in the register maintained by the Information Commissioner's Office (ICO), or being in the process of notification to them, and such not having been refused or withdrawn and provided that **we** will not be liable:
 - i for any deliberate act or omission by **you** or any **director**, **partner** or **employee** from which **you** or they could have reasonably expected liability or costs to attach
 - ii for liability or defence or prosecution costs arising from recording, processing or provision of data for reward
 - iii for liability or defence or prosecution costs arising from determining the financial status of a person
 - iv for liability or defence or prosecution costs arising from an agreement which would not have attached in absence of such agreement
 - v for the cost of rectifying, replacing, reinstating or destroying or erasing any data
 - vi if an indemnity is provided by any other insurance.

8 Defective Premises Act

We will cover **you** in respect of legal liability incurred by **you** during the **period of insurance** for accidental:

- a **injury**
- b **damage**

arising solely by reason of:

- i Section 3 of the Defective Premises Act 1972 or
- ii Section 5 of the Defective Premises (Northern Ireland) Order 1975

in connection with premises which were owned by **you** in connection with the **business** but have been disposed of by **you** provided that **we** not be liable:

- a for the cost of remedying any defect or alleged defect in the premises
- b if an indemnity is provided by any other insurance.

9 Overseas Personal Liability

We will cover **you** or any **director**, **partner** or **employee** or any member of their family accompanying them in respect of legal liability incurred in a personal capacity arising out of accidental:

- a **injury** to any person
- b **damage** to **property**

occurring during the **period of insurance** during visits of less than six months' duration in connection with the **business** to territories outside the **territorial limits** provided that:

- i the conduct and control of all claims is vested in **us**
- ii any person entitled to indemnity under this extension complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply.

We will not pay:

- a for liability arising from or in connection with:
 - i any business, profession or trade
 - ii ownership or occupation of land or buildings
 - iii ownership, possession or use of:
 - mechanically propelled vehicles and anything attached to them
 - craft intended to travel through air or space
 - hovercraft and watercraft (other than non mechanically propelled craft less than nine metres in length used on inland waters)
 - animals (other than pet domestic animals)
 - iv **property** held in trust
 - v **injury** to any **director**, **partner** or **employee** or family member accompanying them
- b liability more specifically insured.

10 Movement of Obstructing Vehicles

We will cover **you** in respect of legal liability arising from **you** or an authorised **employee** acting on **your** behalf moving any obstructing motor vehicle that is not owned or hired by or lent to **you** or them to allow access to the **premises** or the movement of another vehicle provided that:

- a vehicle movements are made only by use of the owner's ignition key
- b the person moving the vehicle is competent to do so
- c **we** will not be liable for:
 - i **damage** to the moved vehicle or goods carried in or on it
 - ii the movement of a vehicle in circumstances where compulsory insurance or security is required by law.

11 Indemnity to Principal

We will, at **your** request, treat any **principal** as though they were **you** in respect of accidental:

- a **injury**
- b **damage**

arising out of the performance of work by **you** for the **principal** provided that:

- i **you** would have been liable if the claim had been made against **you**
- ii the **principal** complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- iii the conduct and control of all claims is vested in **us**
- iv **our** liability will be limited to only what is required by the contract between **you** and the **principal**.

12 Legionellosis

General Exclusion 6 Pollution or Contamination will not apply in respect of **legionellosis** provided that:

- a **we** will not be liable for **legionellosis** occurring prior to the commencement of cover under this section
- b **we** will not be liable unless:
 - i claims are first made in writing to **you**, a **director** or **partner** during the **period of insurance**, or
 - ii the first notification of **injury** or alleging **injury** or of any incidents which may give rise to a claim made to **you**, a **director** or **partner** is notified to **us** during the **period of insurance** or within 30 days of expiry of the same **period of insurance**
- c **we** will not be liable for any **legionellosis** occurring in the United States of America or any territory within its jurisdiction or Canada

- d all **legionellosis** arising out of one occurrence shall be deemed to have occurred at the time such occurrence takes place
- e the maximum amount **we** will pay including damages, **claimants' costs and expenses** and **your costs and expenses** for **pollution and contamination** arising from or in connection with **legionellosis** during any one **period of insurance** will not exceed the public liability limit of indemnity shown on the **schedule**
- f where more than one party is entitled to indemnity under this extension, **our** total combined liability to all parties will not exceed the public liability limit of indemnity shown on the **schedule** in any one **period of insurance**.

13 Wrongful Arrest

We will pay the amount of damages and **claimants' costs and expenses** which **you** become legally liable to pay as a result of charges of wrongful arrest or malicious prosecution being brought against **you** or any **director, partner** or **employee**. **We** will also pay for **your costs** and **expenses**.

Provided that:

- a the person subjected to wrongful arrest or malicious prosecution is not an **employee**
- b such charges are brought in connection with the **business** during the **period of insurance**.

14 Motor Contingent Liability

We will cover you in respect of legal liability incurred by **you** for accidental:

- a **injury**
- b **damage to property** arising out of the use of any motor vehicle in the course of the **business** provided that **we** will not be liable:
 - i for any vehicle owned or provided by **you** or any **principal** for whom **you** are working or any subcontractor acting for you or on **your** behalf
 - ii for **damage** to such vehicle or to goods conveyed in or on it
 - iii for any vehicle being driven by any person **you** or **your** representative know does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
 - iv where indemnity is provided under any other insurance or security
 - v for liability arising outside **Europe**
 - vi to provide cover in respect of any party other than **you**.

Exclusions to Sub-Section B – Public Liability

1 Excess

We will not pay for the amount of the **excess** shown on the **schedule**.

2 Products Supplied

We will not pay for liability arising from or in connection with any **products supplied** other than food or drink supplied to **your** non-paying guests.

3 Employees

We will not pay for liability for **injury** sustained by any **employee** arising out of and in the course of their employment by **you**.

4 Vehicles

We will not pay for liability arising from or in connection with the ownership, possession or use by **you** or on **your** behalf of:

- a any mechanically propelled vehicle or plant being used in circumstances where road traffic legislation requires that there shall be in force a policy of insurance or other security, provided that if **you** are not entitled to indemnity from any other policy or security, this exclusion shall not apply to the bringing to or taking away of the load from any vehicle
- b aircraft, hovercraft, drilling platform or rig and other offshore platforms or watercraft other than hand propelled watercraft, railways, railway locomotives and carriages.

5 Jurisdiction

We will not pay for any claim made in the courts of a country outside **Europe**.

6 Defective Work

We will not pay for the cost of making good, replacing or reinstating defective work carried out by **you** or on **your** behalf.

7 Advice

We will not pay for liability arising:

- a out of technical, professional or remedial instruction and advice given for a fee or for which a fee would normally be charged
- b from failure to give advice or any lack of professional skill.

8 Property in Your Possession

We will not pay for **damage** to:

- a **property** belonging to **you**
- b **property** held in trust or in the custody or control of **you** or any **director, partner** or **employee**

but this exclusion shall not apply to:

- i any personal **property** (including motor vehicles) of **directors, partners** or **employees** or visitors of **yours**
- ii premises occupied by **you** as provided by Extension 1 Leased, Hired or Rented Premises.

9 Property Worked On

We will not pay for liability in respect of **damage to property** being worked on where the **damage** is as a direct result of the work undertaken.

10 Excluded Compensation

We will not pay for:

- a liquidated damages, fines or penalties
- b exemplary, punitive or multiplied damages (these are damages in excess of normal compensation awarded to punish **you**).

11 Contractual Liability

Except as otherwise shown in Extension 1 Leased, Hired or Rented Premises and Extension 8 Data Protection Act 1998, **we** will not pay for liability assumed under the terms of a contract or agreement:

- a unless liability would also have attached in the absence of such contract or agreement and such liability is otherwise covered by this **policy**, and
- b where the terms of the contract or agreement made by **you** prevent **us** from taking over the full defence or settlement of a claim.

Conditions Precedent to Liability – Sub-Section B – Public Liability

1 Legionellosis Precautions Condition

Where **you** own or are responsible for any water, air-conditioning or other purpose built system or equipment that uses water including, but not limited to, associated tanks, pipes, ducting, evaporative condensers, spa pools, saunas and Turkish baths at the **premises**, it is a condition precedent to **our** liability to pay claims in respect of **legionellosis** arising from or in connection with such system or equipment that **you** must:

- a undertake risk assessments to identify the presence of legionella bacteria at intervals not exceeding 12 months
- b take appropriate measures to prevent and control the growth and multiplication of legionella bacteria
- c retain documentary evidence of all risk assessments and measures undertaken
- d produce such documentary evidence if requested by **us**.

2 Application or Use of Heat Condition

It is a condition precedent to **our** liability to pay claims that the following procedures are complied with whenever work involving the application or use of heat is undertaken by **you** or any **director, partner or employee**. Where such work is undertaken on **your** behalf by a subcontractor, it is a condition precedent to **our** liability to pay claims that **you** request a hot work permit to be completed by each subcontractor. **You** must also obtain written confirmation from them that they are aware of **your** requirement that the procedures stated below will be adhered to.

1 Before starting work:

- a all personnel undertaking the work must be made aware of the location of the fire alarms and fire fighting equipment in the area where the work is to be undertaken
- b all **property** in the vicinity including, so far as practicable, the area on the other side of any wall or partition must be inspected to ensure that no combustible material is in danger of ignition either directly or by conducted heat. A record of such inspections must be retained by **you**
- c the area must be cleared of all moveable combustible materials to a distance no less than:
 - i 10 metres from the point of use of electric, oxyacetylene or similar welding or cutting equipment or grinding or cutting wheels and discs
 - ii 1 metre from the point of use of blow torches, blow lamps, hot compressed air blowers, hot air guns, hot air strippers, asphalt, bitumen, tar or pitch heaters. If combustible materials cannot be removed from the areas specified in 1c, i and ii of this condition they must be covered and fully protected by overlapping sheets or screens of non-combustible material.

2 During the progress of work:

- a the work will be carried out only by or under the supervision of trained personnel
- b suitable fire extinguishing appliances will be kept available for immediate use at the scenes of the operations
- c the lighting of all equipment must be carried out strictly in accordance with the manufacturer's instructions and no piece of lighted equipment must be left unattended
- d gas cylinders not required for immediate use must be kept outside any building in which the work is taking place or, where work is in the open, must be removed beyond the areas specified in 1c, i and ii of this condition.

3 After ceasing work:

A thorough inspection of:

- a the area within the distances specified in 1c, i and ii of this condition must be undertaken.
- b in so far as is practicable, the area on the other side of any wall or partition to ensure that there is no risk of fire.

A record of such inspections must be retained by **you**.

4 Welding or Cutting Equipment:

Whenever electric, oxyacetylene or similar welding or cutting equipment, grinding or cutting wheels or discs are used, trained personnel must supervise the progress of work and remain in attendance at all times until the work ceases and all lighted flame equipment is extinguished.

5 Irons

All electric soldering, carpet seaming or aspirated irons must be thermostatically controlled and whenever they are switched on or hot they must be continuously attended.

6 Heating of Bitumen and Similar Products

Whenever asphalt, bitumen, tar or pitch heaters are used they must be sited in the open (but not on rooftops) and continuously attended for the duration of their use.

For the purposes of this condition, the application or use of heat is deemed to be the use of blow torches, blow lamps, electric, oxyacetylene or similar welding or flame cutting equipment, hot compressed air blowers, hot air guns, hot air strippers, asphalt, bitumen, tar or pitch heaters, grinding or cutting wheels or discs, electric soldering or carpet seaming or aspirated irons.

Exclusions to the Liability Section

Offshore Work

We will not pay for liability arising from or in connection with:

- a any work in or on any offshore installation or support vessel
- b travel to, from or between any offshore installation or support vessel
- c work undertaken from an offshore installation or support vessel.

Legal Expenses Section

The cover described below is only operative if shown on the **schedule**

Legal Guard

For this insurance and any extension of cover made operative on the **schedule** **we** will pay:

- a **legal costs** up to the limit of indemnity shown on the **schedule** and
 - b compensation awards under Cover 2 – Employment Compensation Awards up to an aggregate limit of £1,000,000
- for all claims related by time or originating cause, including the cost of appeals subject to all of the following requirements being met.
- i The claim (unless otherwise stated) arises in connection with the **business** and occurs within the **territorial limits**.
 - ii The claim:
 - a always has **reasonable prospects of success**
 - b is reported to **us**
 - i during the **period of insurance**
 - ii as soon as the **insured person** first becomes aware of circumstances which could give rise to a claim.
 - iii Unless there is a conflict of interest, the **insured person** always agrees to use the **appointed adviser** chosen by **us** in any claim:
 - i to be heard by the **small claims court** or an Employment Tribunal
 - ii before proceedings have been or need to be issued.
 - iv Any dispute will be dealt with by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body.

A claim is considered to be reported to **us** when **we** have received the **insured person's** fully completed claim form.

Cover 1 – Employment

We will pay **legal costs** in respect of a dispute between **you** and **your employee**, **ex-employee**, or a prospective employee, arising from a breach or an alleged breach of their:

- a contract of service with **you**
- b related legal rights.

A claim can be made under the **policy** provided that all internal procedures as set out in the:

- i ACAS Code of Practice for Disciplinary and Grievance Procedures, or
- ii Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland have been or ought to have been concluded.

Exclusions to Cover 1 – Employment

We will not pay for any claim relating to:

- a the pursuit of an action by **you** other than an appeal

- b redundancy, alleged redundancy or unfair selection for redundancy, occurring during the first 180 days of this **policy**, except where **you** have had equivalent cover in force up until the start of this **policy**
- c **legal costs** for preparation and representation at an internal disciplinary hearing, grievance or appeal.

Cover 2 – Employment Compensation Awards

Following a claim **we** have accepted under Cover 1 – Employment, **we** will pay:

- a any basic and compensatory award
- b any Employment Tribunal fees under Schedule 3 of the Employment Tribunals and the Employment Appeal Tribunal Fees Order 2013

awarded against **you** by a tribunal or

- c an amount agreed by **us** in settlement of a dispute provided that:

- i **reasonable prospects of success** exist for a wholly successful defence throughout and
- ii compensation is:
 - a agreed through mediation or conciliation or under a settlement approved by **us** or
 - b awarded by a tribunal judgment after full argument unless given by default.

Exclusions to Cover 2 – Employment Compensation Awards

We will not pay for compensation awards and settlements relating to:

- a trade union membership or non-membership, industrial or labour arbitration, collective bargaining agreements, trade union recognition or matters concerning a European Works Council
- b money due to an **employee** under a contract or a statutory provision relating thereto
- c civil claims or statutory rights relating to trustees of occupational pension schemes.

Cover 3 – Employment Restrictive Covenants

We will pay **legal costs** in respect of:

- a a dispute with **your employee** or **ex-employee** which arises from their breach of a restrictive covenant where **you** are seeking financial remedy or damages provided that the restrictive covenant:
 - i is designed to protect **your** legitimate business interests and
 - ii is evidenced in writing and signed by **your employee** or **ex-employee** and

- iii extends no further than is reasonably necessary to protect the business interests and
- iv does not contain restrictions in excess of 12 months
- b a dispute with another party who alleges that **you** have breached their legal rights protected by a restrictive covenant.

Cover 4 - Tax Protection

We will pay **legal costs** in respect of:

- a a formally notified aspect or full enquiry into **your** tax affairs, or into the personal tax affairs of **directors** and **partners**
- b a dispute about **your** compliance with regulations relating to:
 - i Value Added Tax
 - ii Pay As You Earn
 - iii Social Security
 - iv National Insurance Contributions
 - v the Construction Industry Scheme or
 - vi IR35
 following a compliance check by HM Revenue & Customs
- c an enquiry into **your** tax affairs, or into the personal tax affairs of **directors** and **partners**, arising from an alleged discovery by HM Revenue & Customs provided that:
 - i all returns are completed and have been submitted within the statutory timescales permitted
 - ii **you** keep proper records in accordance with statutory requirements
 - iii in respect of any appealable matter **you** have requested an Internal Review from HM Revenue & Customs where available.

Exclusions to Cover 4 - Tax Protection

We will not pay for any claim relating to:

- a tax returns which result in HM Revenue & Customs imposing a penalty or claiming interest or which contain negligent misstatements
- b an investigation by the Specialist Investigations Branch of HM Revenue & Customs
- c where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to financial arrangements
- d any enquiry that concerns assets, monies or wealth outside of England, Scotland, Wales and Northern Ireland
- e **your** failure to register for VAT.

Cover 5 - Property

We will pay **legal costs** in respect of a dispute relating to material property which **you** own or is **your** responsibility:

- a following an event which causes physical damage to **your** material property
- b following a public or private nuisance or trespass
- c which **you** wish to recover or repossess from an **employee** or ex-**employee**.

Exclusions to Cover 5 - Property

We will not pay for any claim relating to:

- a a contract between **you** and a third party except for a claim under Cover 5c above
- b goods in transit or goods lent or hired out
- c the compulsory purchase of, or demolition restrictions, controls or permissions placed on land or property by any government, local or public authority
- d a dispute with any party other than the party who caused the damage, nuisance or trespass.

Cover 6 - Legal Defence

We will pay **legal costs** in respect of:

- a a criminal investigation or enquiry by:
 - i the police
 - ii a health and safety authority or
 - iii other body with the power to prosecute
 where it is suspected that an offence may have been committed that could lead to an **insured person** being prosecuted
- b an offence or alleged offence which leads to an **insured person** being prosecuted in a court of criminal jurisdiction
- c a motor prosecution brought against **directors** and **partners** which does not relate to the **business**.

Exclusion to Cover 6 - Legal Defence

We will not pay for any claim relating to a parking offence.

Cover 7 - Compliance and Regulation

We will pay **legal costs** in respect of:

- a receipt of a Statutory Notice served against **you**
- b notice of a formal investigation or disciplinary hearing by any professional or regulatory body
- c a civil action alleging wrongful arrest arising from an allegation of theft
- d a claim against **you** for compensation under Section 13 of the Data Protection Act 1998 including compensation awarded against **you** provided that **you** are registered with the Information Commissioner.

Exclusions to Cover 7 - Compliance and Regulation

We will not pay for any claim relating to:

- a the pursuit of an action by **you** other than an appeal
- b a routine inspection by a regulatory authority
- c a Health and Safety Executive Fee for Intervention.

Cover 8 - Statutory Licence Appeals

We will pay **legal costs** in respect of an appeal against a decision by the relevant authority to alter, suspend, revoke or refuse to renew **your** statutory licence or compulsory registration.

Cover 9 - Loss of Earnings

We will pay **legal costs** in respect of an **insured person's** absence from work to attend court, tribunal, arbitration, disciplinary hearing or regulatory proceedings at the request of the **appointed adviser** or whilst on jury service which results in loss of earnings.

Exclusion to Cover 9 - Loss of Earnings

We will not pay for any sum which can be recovered from the court or tribunal.

Cover 10 - Employees' Extra Protection

At **your** request **we** will pay **legal costs**:

- a where civil proceedings are issued against **your employee**:
 - i for unlawful discrimination or
 - ii in their capacity as a trustee of a pension fund set up for the benefit of **your employees**
- b where **your employee** or a member of their family suffers physical bodily injury or death as a result of a sudden event
- c for a claim arising from personal identity theft targeted at **you, directors** or **partners**.

Exclusions to Cover 10 - Employees' Extra Protection (applicable to a and b only)

We will not pay for any claim relating to:

- a defending **you**
- b a condition, illness or disease which develops gradually over time.

Cover 11 - Crisis Communication

Following an event which causes or could cause **your business** significant adverse publicity or reputational damage which is likely to have a widespread financial impact on **your business**, **we** will:

- a liaise with **you** and **your** solicitor (whether the solicitor is an **appointed adviser** under this **policy**, or acts on **your** behalf under any other policy), to draft a media statement or press release
- b arrange, support and represent an **insured person** at a press conference and/or
- c prepare communication for **your** customers and a telephone or website script
- d provide other assistance which in the **appointed advisor's** professional opinion is necessary to protect **your** reputation provided that **you** have sought and followed advice from **our** Crisis Communication helpline.

The maximum **we** will pay for any claim brought under Cover 11 Crisis Communication is £10,000.

Exclusions to Cover 11 - Crisis Communication

We will not pay for any claim relating to matters that should be dealt with through **your** normal complaints procedures.

Cover 12 - Contract and Debt Recovery

We will pay **legal costs** in respect of a breach or alleged breach of an agreement or alleged agreement which has been entered into by **you** or on **your** behalf relating to the purchase, hire, hire purchase, lease, servicing, maintenance, testing, sale or provision of goods or services, provided that if **you** are claiming for an undisputed debt **you** have exhausted **your** normal credit checks.

Exclusions to Cover 12 - Contract and Debt Recovery

We will not pay for any claim relating to:

- a an amount which is less than £200
- b the letting, leasing or licensing of land or buildings where **you** act as the landlord
- c the sale or purchase of land or buildings
- d loans, mortgages, endowments, pensions or any other financial product
- e computer hardware, software, internet services or systems which:
 - i have been supplied by **you** or
 - ii have been tailored to **your** requirements
- f a breach or alleged breach of a professional duty by an **insured person**
- g the settlement payable under an insurance policy
- h a dispute relating to an **employee** or **ex-employee**
- i adjudication or arbitration.

Legal Expenses Section Extensions

The cover described below is only operative if shown on the **schedule**

Landlord's Legal Guard

Cover

For this extension **we** will pay **legal costs** up to the limit of indemnity shown on the **schedule** for all claims related by time or original cause including the costs of appeals.

Cover 1 - Repossession

We will pay **legal costs** in respect of pursuing **your** legal rights to repossess **your property** that **you** have let under a **tenancy agreement** provided **you** have:

- a given the tenant the correct notices for the repossession of **your property**
- b a right of repossession under:
 - i Schedule 2, Part 1 (grounds 1 to 8) or
 - ii Schedule 5, Part 1 (grounds 1 to 8) or
 - iii Part 1, Section 21 or
 - iv Part 2, Section 33

where the Housing Act 1988 as amended by the Housing Act 1996; the Assured Tenancies (Amendment) (England) Order 2010 or the Housing (Scotland) Act applies to **your tenancy agreement**.

Where **you** have a licence agreement for **your property** **you** will be seeking to invoke the termination clause.

Cover 2 - Property Damage, Nuisance and Trespass

We will pay **legal costs** in respect of:

- a an event which causes physical damage to **your property** and anything owned by **you** at **your property**, provided that in respect of a claim against **your** tenant for damage **you** have prepared, prior to the granting of the tenancy, a detailed inventory of the contents and condition of the **property** which the tenant has signed
- b public or private nuisance or a trespass relating to **your property**.

Exclusions to Cover 2 - Property Damage, Nuisance and Trespass

We will not pay for any claim relating to:

- a damage to **your property** that arises from or relates to a contractual agreement other than a **tenancy agreement**
- b trespass by **your** tenant or ex-tenant.

Cover 3 - Recovery of Rent Arrears

We will pay **legal costs** in respect of pursuing **your** legal right to recover rent due under a **tenancy agreement** for **your property**.

Cover 4 - Accommodation and Storage Costs

We will pay **legal costs** in respect of:

- a **your** accommodation costs while **you** are unable to get possession of **your property** up to £175 per day and £5,250 in total
 - b **your** storage costs to store **your** personal possessions while **you** are unable to reoccupy **your property** up to £50 for each complete week and £300 in total.
- provided that possession is sought because **you** wish to live at **your property**.

Cover 5 - Prosecution Defence

We will pay **legal costs** in respect of a prosecution against **you** that arises from **you** letting out **your property**.

Exclusions to Landlord's Legal Guard Extension

We will not pay for:

- a any claim occurring during the first 90 days of the first **period of insurance** where the **tenancy agreement** started before the start of this extension (except where **you** have had equivalent cover in force immediately before the start of this extension)
- b any claim arising from or relating to registering, assessing or reviewing rent, rent control, leasehold valuation or the jurisdiction of the First-tier Tribunal (Property Chamber). This is a body that considers certain disputes about property.
- c any claim arising from or relating to a **property** which is or should have been registered as a House of Multiple Occupation.

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