



ARO

Product **Commercial
Property Owners**



Introduction

Thank you for choosing Aro "Commercial Property Owners" policy.

Aro Commercial Property Owners is a trading name of ARO UNDERWRITING GROUP LIMITED, who are authorised to underwrite and administer this policy on behalf of Allied World Assurance Company (Europe) dac and Liberty Mutual Insurance Europe Limited.

Allied World Assurance Company (Europe) dac, a private company (company number 361888, EEA/FCA no.: 219772) registered in Ireland with its registered office at 3rd Floor Georges Quay Plaza, Georges Quay, Dublin 2, Ireland and its UK branch office at Floor 19, 20 Fenchurch Street, London EC3M 3BY. The company is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority.

LMIE trading as Liberty Specialty Markets, a member of the Liberty Mutual Insurance Group. Registered office: 5-7 rue Leon Laval, L-3372, Leudelange, Grand Duchy of Luxembourg, Registered Number B232280 (Registre de Commerce et des Sociétés). LMIE is a European public limited liability company and is supervised by the Commissariat aux Assurances and licensed by the Luxembourg Minister of Finance as an insurance and reinsurance company.

LMIE's UK branch registered address is 20 Fenchurch Street, London, EC3M 3AW which is authorised by the Commissariat aux Assurances and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority (registered number 829959). Details about the extent of regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from LMIE on request.

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This is your Commercial Property Owners insurance policy.

This Policy is a contract between you and us, and has been provided to you following the information you gave us when you applied for the insurance and your agreement to pay the premium.

The information may have been provided to us on a statement of fact or a proposal form. If any of the information recorded in the proposal form or statement of fact is incorrect, you may find you have no cover at all. You should keep this policy in a safe place; you may need to refer to it if you have to make a claim.

In return for you having agreed to pay your premium including any tax applicable and subject to the Policy terms and conditions we will insure you under those sections shown in your schedule during the period of insurance.

If more than one property is insured under this Policy this contract applies as if each is separately insured.

This Policy, your schedule and any endorsements should be read as if they are one document.

Please read them carefully and check that they meet your needs. Any query should be immediately referred to your broker as soon as reasonably practicable.

Signed on behalf of The Company

James Bright
Managing Director
Aro Underwriting Group Ltd

ARO, ARO Plus and Willow are trading names of ARO Underwriting Group Limited which is an Appointed Representative of HISL Brokers Limited a company authorised and regulated by the Financial Conduct Authority under firm reference number 505452 to carry on insurance distribution activities. ARO Underwriting Group Limited is registered in England and Wales company number 07491066. Registered office at Sackville House, 55 Buckhurst Avenue, Sevenoaks, Kent, TN13 1LZ.

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Definitions

Certain words have specific meanings wherever they appear throughout this Policy. They are printed in bold type and will always have the following meaning:

Accidental damage

Unexpected physical damage caused suddenly by an identifiable external means.

Bodily injury

Death, illness, injury, disease or nervous shock.

Buildings

The property along with:

- a) Permanent fixtures and fittings within each flat and the communal areas.
- b) Outbuildings, garages, extensions, annexes, gangways, canopies, fixed signs, temporary buildings, conveniences, lamp posts, and street furniture.
- c) Walls, gates and fences.
- d) Drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the premises and extending to the public mains, but only to the extent of your responsibility.
- e) Yards, car parks, roads, paths, pavements, forecourts, terraces and similar surfaces.
- f) **Tenants' improvements** if you would otherwise have been responsible and fixtures and fittings formerly the property of the tenants but relinquished to you at the time of surrender of the lease.
- g) Telecommunications aerials, aerial fittings, and masts.
- h) Cess pits, septic tanks, service tanks, and central heating oil tanks.

Business

The business stated in your schedule

Declared value

Your assessment of the cost of reinstatement of the buildings or Contents at the level of costs applying at the start 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 European and Public Authority requirements.
- b) **Architects', surveyors', consulting engineers' and legal fees.**
- c) Debris removal costs.

Employee(s)

- a) any person under a contract of service or apprenticeship with you;
- b) any person who is hired to or borrowed by you;
- c) any person engaged under a work experience or training scheme;
- d) any labour master or person supplied by him
- e) any labour only sub-contractor or person employed by him;
- f) any self-employed person working on a labour only basis under your control or supervision.

Excess

The excess is the first part of the claim that you have agreed to pay.

The excess for each section of this Policy is specified in the relevant section, or where no excess is specified in the Policy, the amount set out in your schedule. If a claim is made under more than one section of this Policy, resulting from the same incident only one excess will be payable and this will be the largest applicable excess.

Flood

A large volume of water entering the building caused by a sudden escape of water from outside the building, for example a river, canal, lake or reservoir, or from rain induced runoff.

Glass

All fixed glass, including its framework, lettering or any intruder alarm foil attached to it, in windows, doors or fanlights.

Ground heave

The ground beneath the building expanding resulting in upwards movement.

Landslip

The downward movement of soil on a slope.

Legal costs

The costs of your legal representation at proceedings in any court arising out of any alleged breach of statutory duty, along with all reasonable costs and reasonable expenses in relation to the defence, investigation or settlement of any claim incurred with our consent. However, all of your office expenses, all expenses for your employees and general retainer fees normally paid by you are excluded.

Period of insurance

The time for which this insurance is in place as shown in your schedule.

Premises

The buildings and the land within the boundary owned by you or for which you are responsible at the address(es) shown in your schedule.

Property

The buildings at the address(es) shown in your schedule.

Rent

Periodic payments made to you as lessors of the buildings in respect of rent, service charges or other income received or receivable from the letting of buildings or the provision of services.

Schedule

The document which gives the details of the cover you have.

Storm

A period of unusual and/or violent weather usually associated with high winds, rain, hail, thunder, lightning or snow.

Wind speeds at a minimum rate of 55mph.

Rainfall at a minimum rate of 25mm per hour.

Hail of such intensity it damages hard surfaces, for example by breaking glass.

Snowfall at a minimum rate of 30cm in 24 hours.



Subsidence

The ground beneath the building sinking or contracting resulting in downwards movement, and not caused by the weight of the building itself.

Territorial limits

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

Terrorism

- (a) any act or preparation in respect of action or threat of action designed to influence the existing government of any nation or any political division of such nation or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government and which:
- i. involves violence against one or more persons;
 - ii. involves damage to property;
 - iii. endangers life other than that of the person committing the action
 - iv. creates a risk to health or safety of the public or a section of the public;
 - v. is designed to interfere with or to disrupt an electronic system;

And/or

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

Unoccupied or vacant

Whenever the whole or any self-contained part of the premises have become unoccupied or vacant, unattended or which have not been actively used for a period of more than 30 days.

Wear and tear

Loss or damage that has occurred naturally or inevitably through aging or normal use.

We, Us or Our

Allied World Assurance Company (Europe) dac and Liberty Mutual Insurance Europe Limited, as insurers of your policy.

You or Your(s)

The person, people or business shown in your schedule as the policyholder/insured.

Your broker

The insurance broker who arranged this policy on your behalf.



Information

Complaints Procedure

General Insurance Complaint Procedure-

If you feel dissatisfied with the service you have received
Our aim is always to provide you with the highest level of customer service. If you feel that we have failed to maintain this standard, then this document outlines the procedure we will use to deal promptly and fairly with any issue you raise.

Please note that we record and monitor all complaints centrally to make sure the matter is dealt with properly and that action is taken to avoid a similar problem arising in the future.

What to do next

If you wish to make a complaint, you can do so at any time, free of charge, by referring the matter by e-mail, in writing, by telephone or in person to

E: complaints@aro-underwriting.com

W: www.aro-underwriting.com

Customer Services

Aro Underwriting Group Ltd,
Sackville House,
55, Buckhurst Avenue,
Sevenoaks.
Kent.
TN13 1LZ
T: 01732 783575

What we need to know

Please make sure you are able to quote your policy details, including your policy number.

What we will do

If the company resolve your complaint to your satisfaction within 3 business days after the day of receipt, you will receive a Summary Resolution Communication in writing. This response will include the fact that a complaint was made and is now considered resolved, either by accepting the complaint and offering redress; or rejecting the complaint with a full explanation.

If the company are unable to resolve your complaint by the close of 3 business days, we will escalate this to a formal complaint stage. The company will notify you with an acknowledgment letter, outlining timescales and the details of who will be handling your complaint. The company will send you a final response letter within 8 weeks of receipt of the complaint. In some circumstances, if the complaint concerns the insurers of your policy the company will make sure your complaint is passed to us in order to respond to you quickly to



proceed in accordance with the process as explained above. If that is the case, we will contact you direct and explain when you will hear further from us.

If you wish you can complain directly to us, Allied World Assurance Company (Europe) dac. Please see our contact details as follows:

Complaints Manager
Allied World Assurance Company (Europe) dac
19th Floor, 20 Fenchurch Street
London EC3M 3BY
Phone: 0207 220 0600
Email: AWE.Complaints@awac.com

If after making a complaint you are still not satisfied the company or us have failed to respond within 8 weeks of receipt of your complaint) you may be entitled to refer the dispute to the Financial Ombudsman Service ("FOS"), who can be contacted at:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR
Email complaint.info@financial-ombudsman.org.uk
Telephone 0800 023 4567 (calls to this number are free from "fixed lines" in the UK) or 0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK).

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the FOS at www.financial-ombudsman.org.uk.

Making a complaint will not affect your right to take legal action.

To confirm whether you are eligible to ask the FOS to review your complaint please contact them at <https://www.financial-ombudsman.org.uk/consumer/complaints.htm>

Further information regarding eligibility criteria to submit a complaint to the FOS is available in the following link: <https://sme.financial-ombudsman.org.uk/complain/complaints-can-help>

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS compensates the customers of an insurer or insurance intermediary if it is unable to meet its obligations under a policy due to financial difficulties (for example, if it has been placed in provisional liquidation or administration).

Full details and further information on the scheme are available from the FSCS at www.fscs.org.uk



Governing law and legal system

This policy shall be governed and construed under the laws of England and shall be exclusively subject to the English courts unless we agree with you otherwise.

Cancellation

You may cancel your insurance at any time. By exercising your right to cancel the policy, you are withdrawing from the policy and the policy is terminated.

Cancellation within 14 days

You have the right to cancel this policy for whatever reason within 14 days of the start of this policy or from when you get your policy documentation (whichever happens later.)

If your insurance is yet to start, you will be entitled to a full refund of any premium you have paid.

If your policy has started and you have not made a claim or there has not been an incident which could give rise to a claim, we will refund the premium for the exact number of days remaining in the current period of insurance. This means we will only charge you for the exact number of days for which you have been covered by this policy (inclusive of Insurance Premium Tax.)

Cancellation after 14 days

If you cancel after 14 days of the start of your policy or from when you get your policy documentation (whichever happens later), provided you have not had a claim accepted under your policy, you will be entitled to a refund. The refund will be the premium for the exact number of days remaining in the current period of insurance minus an administration fee as per the terms specified in the Terms of Business document issued to you by your broker.

If a claim has been accepted under this policy or there has been an incident which could give rise to a claim, no refund of premium will be returned to you.

In order to cancel this policy, please contact your broker.

Privacy Notice

Who we are

We are the Insurer(s) identified in the proposal form and/or contract of insurance and/or in the certificate of insurance.

The basics

We collect and use relevant information about you to provide you with your insurance cover or the insurance cover that benefits you and to meet our legal obligations.

This information includes details such as your name, address and contact details and any other information that we collect about you in connection with the insurance cover from which you benefit. This information may include more sensitive details such as information about your health and any criminal convictions you may have.



In certain circumstances, we may need your consent to process certain categories of information about you (including sensitive details such as information about your health and any criminal convictions you may have). Where we need your consent, we will ask you for it separately. You do not have to give your consent and you may withdraw your consent at any time. However, if you do not give your consent, or you withdraw your consent, this may affect our ability to provide the insurance cover from which you benefit and may prevent us from providing cover for you or handling your claims.

The way insurance works means that your information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. Your information will also be used for business and management activities such as financial management and analysis. This may involve sharing your information with, and obtaining information about you from, our group companies and third parties in the insurance sector. We will only disclose your personal information in connection with the insurance cover that we provide and to the extent required or permitted by law.

Other people's details you provide to us

Where you provide us or your agent or broker with details about other people, you must provide this notice to them.

Group policies

We will process individual insured's details, as well as any other personal information you provide to us in respect of your insurance cover, in accordance with our privacy notice(s) and applicable data protection laws.

To enable us to use individual insured's details in accordance with applicable data protection laws, we need you to provide those individuals with certain information about how we will use their details in connection with your insurance cover.

You agree to provide to each individual insured this notice, on or before the date that the individual becomes an individual insured under your insurance cover or, if earlier, the date that you first provide information about the individual to us.

We are committed to using only the personal information we need to provide you with your insurance cover. To help us achieve this, you should only provide to us information about individual insureds that we ask for from time to time.

Contacting us and your rights

You have rights in relation to the information we hold about you, including the right to access your information. If you wish to exercise your rights, discuss how we use your information, request a copy of our full privacy notice or for more information please contact us:

<https://awac.com/privacy-policy/>

Email: dataprotection@awac.com

Post: Data Protection Officer, Allied World Assurance Company (Europe) dac, 20 Fenchurch Street, London EC3M 3BY, UK.



Employers' Liability Tracing Office

Certain information relating to your insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office, (the ELTO) and added to an electronic database, (the Database). The Database will be managed by the ELTO.

This information will be made available in a specified and readily accessible form as required by the [Employers' Liability Insurance: Disclosure By Insurers Instrument 2010]. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The ELTO may provide such information to third parties to assist individuals with claims arising out of their course of employment in the United Kingdom for employers carrying on, or who carried on, business in the United Kingdom, (the Claimants). The ELTO will help Claimants find the insurer that was providing employers' liability cover during their relevant period of employment and also to find the relevant employers' liability insurance policies.

The Database and the data stored on it may be accessed and used by the Claimants, their representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance policy you will be deemed to specifically consent to the use of your insurance policy data in this way and for these purposes.

Important Conditions

It is important that:

- you check that the sections you have requested are included in your schedule;
- you check that the information you have given us is accurate – see the “Information You Have Given Us”;
- you notify your broker as soon as practicable of any inaccuracies in the information you have given us;
- you comply with the terms, duties and obligations under each section and under the insurance as a whole.

1. You must accurately present the risk to us

When providing you with this Policy and setting the terms and premium, we have relied on the information you have given us. You must take care when answering any questions we ask by ensuring all the information provide is accurate and complete.

If your failure to accurately present the risk was deliberate or reckless, we may treat this policy as if it had never existed and decline all claims. We also may not return to you any premiums paid for this policy.

If we establish that your failure to accurately present the risk was not deliberate or reckless, this policy and any claim may be affected as follows:

- If we would not have entered into this policy on any terms, we may treat this policy as if it had never existed and we may refuse to pay any claim. However, we will return to you any premiums paid for this policy.
- If we would have entered into this policy but on different terms, we may amend the terms of this policy (which could result in the rejection of a claim).
- If we would have entered into this policy on the same or different terms but we would have charged a higher premium, we may proportionately reduce the amount that we pay on a claim.

We or your broker will write to you if we:

- intend to treat this Policy as if it never existed; or
- need to amend the terms of this Policy.

2. You must tell us about changes in your circumstances

You must tell us, the company or your broker as soon as reasonably practicable about any material change in your circumstances and/or any change in material facts.

A circumstance or fact is material if it would have influenced our decision whether to agree to provide insurance to you and, if so, on what terms.

3. You must take reasonable care

You must take all reasonable care to prevent loss, damage, accidents or Injury and to protect and maintain the property which is covered by this insurance.



4. What You must do if You have an Unoccupied or Vacant Property

Whenever any building at any premises described in your schedule becomes unoccupied or vacant for a period of more than 30 consecutive days you or your appointed representative must:

- a) notify your broker as soon as reasonably practicable of the unoccupancy;
- b) ensure all the main services are turned off or disconnected except electricity where needed to maintain any fire or intruder alarm system in operation;
- c) ensure the water and heating systems are drained;
- d) ensure the premises are secured against unlawful entry;
- e) carry out a thorough inspection of the premises on at least a weekly basis and carry out any work necessary to maintain the security of the premises as soon as reasonably practicable;
- f) remove all refuse and waste materials from the premises following each inspection;
- g) maintain a written record of such inspections;
- h) notify your broker as soon as the building or any part of the building becomes reoccupied.

5. You have a duty in relation to Safety Requirements

As the landlord of a commercial property you must provide a reasonable standard of care and you are required to comply with all relevant Health and Safety legislation as necessary, for example:

- Gas Safety (Installation and Use) Regulations 1998.
- Regulatory Reform (Fire Safety) Order 2005.

Plus any other equivalent legislation of substantially similar scope in Wales, Scotland and Northern Ireland.

Claims Conditions

1. What you must do if a claim occurs

When you know you may have to make a claim under this policy you must provide full details of your claim as soon as possible after the event and always within 30 days.

You must immediately tell the Police after becoming aware of loss or damage by theft, attempted theft, malicious damage, violent disorder, riots or civil commotion and obtain the Crime Reference Number.

If you wish to make a claim please contact:

Davies Managed Systems, 4th Floor, Telecom House, Trinity Street, Hanley, Stoke on Trent, ST1 5NA.

To notify a loss, or a circumstance, claim or an impending prosecution under Sections 2 or 3 email:

newclaim.alliedworld@davies-group.com



All other communications with the Claims Manager should be sent by email to:

post.alliedworld@davies-group.com

or by post or by hand to DMS at the above address.

The Claims Manager will also be available on 0344_856 3285.

Provide your broker with full details of your claim as soon as possible after the event and always within 30 days.

You must take all steps necessary to reduce further loss, damage or injury.

2. How we settle claims under this policy

The most we will cover any one claim is the amount shown in your schedule unless a more specific limit applies.

We will take off the excess from the amount we agree to settle your claim. The excess will apply to each separate incident.

Remember, no policy covers everything. We do not cover certain things such as wear and tear and maintenance. The things which are not covered by your policy are stated:

- In the Important Conditions, the Claims Conditions and General Conditions on pages 13-17, as well as the Special Conditions to Section 5 on pages 30-31
- In the General Exclusions on pages 18-20.
- Under what we will not cover for each Section and Sub-section on pages 21-32.

It is important to make sure that you understand the conditions and exclusions which apply to your policy because if you do not meet these conditions, it may affect any claim you make.

Section 1: Buildings Settlement

In the event of a valid claim for loss or damage to buildings, we will decide whether to settle a claim by either;

- rebuilding, repairing or replacing; or
- by making a payment for the damaged part of the buildings.

Our basis of settlement will depend on;

- the buildings being in a good state of repair and properly maintained;
- the building sum insured shown in your schedule is enough to allow for the full cost of the rebuilding the buildings in a new condition similar in size, form and style, including the **“Additional professional fees and regulatory costs”** on page 24; and
- the reinstatement or repair is carried out without delay.

Underinsurance – Penalty

Your policy depends on you having the correct sums insured. If at the time of loss or damage the total of your sums insured on buildings specified in your schedule is less than 85% of the reinstatement cost of the buildings covered by this Section 1, we shall bear only that



proportion of the loss or damage which the total of your sums insured on buildings bear to the total reinstatement cost. For example, if your sum insured only covers one half of the total of the reinstatement cost of the buildings, we will only pay one half of the cost of repair or replacement and you would have to pay the remaining half of the reinstatement cost.

If your buildings are underinsured at the time of loss or damage, we will only make a payment for the damaged part(s) of the building. Your buildings claim may also be subject to the above paragraph.

If repair or rebuilding is not carried out within a reasonable period of time, we only will pay the amount by which the property has gone down in value as a result of the loss or damage; or the estimated cost of repair, whichever is lower.

The most we will pay for each incident of loss or damage is the buildings sum insured or any other limit shown in your schedule or in this policy.

We will not cover the cost of replacing any undamaged item or part of an item solely because it forms part of a pair, set, suite or one of a number of items of similar nature or design.

We will automatically reinstate the policy limits following payment of a claim, provided that all replacement or repair work is completed and any recommendations we make to prevent further loss or damage are carried out without delay.

Section 3: Rent Settlement

In the event of a valid claim for loss of rent under Section 3, we will cover you for:

- a) the loss of rent during the rent period. This is calculated as the amount by which the rent received by you during the rent period falls short of the rent you would have received during the rent period had no damage occurred;
- b) additional expenditure. This being additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding a shortfall in rent. We will not pay an amount exceeding the loss of rent which would otherwise have been payable under a) above;

less any savings in respect of expenditure payable out of rent which reduces or ceases as a result of the damage.

For the purpose of this settlement, rent period means the period starting with the date of occurrence of the damage and not exceeding the period stated in your schedule, during which we will pay the reduction in rent received by you.

Underinsurance – Penalty

Your policy depends on you having the correct sums insured. If at the time of loss or damage the annual rent shown in your schedule is less than the rent you would have received during the period of insurance if the damage had not occurred, we will proportionately reduce the amount payable in respect of loss of rent.

3. If you make a fraudulent claim

If you or anyone acting for you makes a claim under this policy which is fraudulent:

- we will not pay your claim;
- we may recover from you any sums which we have paid to you in respect of your claim; and
- we may, by notice to you, treat this policy as having been terminated with effect



from the time of the fraudulent act.

If we treat this policy as having been terminated:

- we may refuse to pay any claims relating to an event occurring after the fraudulent act took place; and
- we may keep all premiums that you have paid to us under this policy.

If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies and we may share information about you with other organisations including the police.

General Conditions

1. Other insurance

If you claim under this policy for something which is also covered by another insurance policy, we will only pay our share of the claim. You must give us full details of the other insurance policy.

2. Sanctions Limitation and Exclusion Clause

We shall not provide cover nor shall we be liable to pay any claim or provide any benefit referred to in this policy to the extent that the provision of such cover, payment or such claim or provision of such benefit would expose us to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanction, laws or regulations of the European Union, United Kingdom or United States of America.

3. Subrogation

Where we are entitled to be subrogated in respect of any loss or liability, any claimant under this Policy shall, at our request and our expense allow to be done anything that may be necessary for the purpose of enforcing any such rights and remedies in order to obtain recovery from other parties, whether before or after any payment made by us.

4. Several Liability

The liability of an Insurer under this Policy is several and not joint with other insurers party to this Policy. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this Policy.

5. Contracts (Rights of Third Parties) Act 1999

No member of the public will have, or be able to enforce any term of this Policy under the Contracts (Rights of Third Parties) Act 1999. This does not affect the rights or remedies available to a member of the public, apart from this Act.

General Exclusions

Exclusions are the events, liabilities or property we do not cover under your policy. The exclusions listed here apply to all parts of your policy. There are additional specific exclusions, within each Section of your policy.

We will not cover you or be liable for:

1. Chemical, Biological or Nuclear Risks

Any loss, damage or legal liability arising directly or indirectly caused by, or contributed to, by, or arising from:

- a) nuclear reaction, nuclear radiation or radioactive contamination;
- b) any biological or chemical contamination.

2. Sonic Booms

Any loss, damage or legal liability arising directly from pressure waves caused by aircraft and other aerial devices.

3. War

Any loss, damage or legal liability arising directly or indirectly caused by or contributed to, by, or arising from:

- a) War, invasion, act of foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not) civil war, rebellion, revolution, insurrection, sabotage, mutiny, martial law, military or usurped power.
- b) Nationalisation, confiscation, requisition, seizure or destruction by any government or any public authority.
- c) Any action taken in controlling, preventing, suppressing or in any way relating to a) and/or b) above.

4. Events Before the Policy Started

Loss, damage or legal liability arising out of any accident or incident that happened before this Policy started.

5. Deliberate Acts

Loss, damage or legal liability arising from any accident, bodily injury, loss or damage caused deliberately, maliciously, wilfully, recklessly or through the criminal act of you, your family or employees.

6. Reduction in Value

Any reduction in market value following repair or replacement paid for under this Policy.

7. Pollution or Contamination

Any loss, damage or legal liability caused by, or contributed to, by, arising from pollution or contamination.

However, we will cover you for loss or damage directly caused by pollution and contamination which is not excluded under the policy when such pollution and contamination result from an event that is covered under this policy and occurs during the current period of insurance.

8. Cyber

Any loss, damage or legal liability caused deliberately or accidentally by:

- a) the use of or inability to use any application, software, or programme;
- b) any computer virus;
- c) any computer related hoax relating to a) and/or b) above.

9. Electronic Data

Loss of or damage to any electronic data (for example files or images) wherever it is stored.

10. Terrorism

Any loss, damage or legal liability directly or indirectly caused by or contributed by, or resulting from terrorism. That is regardless of any other cause or event contributing at the same time as or in any other sequence to the loss.

11. Wear and Tear

Any loss, damage or legal liability caused by or contributed to by, or resulting from wear and tear or anything which happens gradually.

12. Mould

Any loss, damage or legal liability caused directly by, consisting of or resulting from mould, mildew, fungus or spores.

However, we will cover you for loss or damage directly due to mould, mildew, fungus or spores when it is the result of an event that is covered under this policy.

If such loss or damage results from an event that is covered under this policy and is not otherwise excluded, you must report the loss or damage caused by the mould, mildew, fungus or spores to us as soon as reasonably practicable and, in any event, no later than six months after the covered event first caused any loss during the period of insurance. We shall not cover you for loss reported after this six month period.

13. Wet or Dry Rot

Any loss, damage or legal liability caused directly by, contributed to by, or resulting from wet or dry rot.

14. Infectious or Contagious Disease

Any loss, damage, liability, cost or expense in any way caused by or resulting from

- a) infectious or contagious disease;
- b) any fear or threat of a) above; or
- c) any action taken to minimise or prevent the impact of a) above.



Infectious or contagious disease means any disease capable of being transmitted from an infected person, animal or species to another person, animal or species by any means.

15. Movable property

Any loss or damage to movable property in the open, for example fences and gates, caused by wind, rain, hail, sleet, snow, flood, or dust.

16. Use of Heat

Any loss or legal liability caused by or arising from the use of any vessel for the heating of asphalt or bitumen, welding or flame-cutting equipment, blow lamps, blow torches or hot air guns by you or any employee.

17. 3 metre height limit

Any loss or legal liability in respect of bodily injury caused by or in connection with any external work undertaken at a height from the ground of more than 3 metres or in connection with any internal work undertaken at a height from the floor of more than 3 metres.

18. Excess

The excess detailed in your schedule or as provided elsewhere in your policy.

Policy Cover

Section 1-Buildings

We will cover you under this Section 1 for;

1. Fire, explosion, lightning, earthquake.

Loss or damage to buildings caused by fire, explosion, lightning or earthquake.

2. Smoke

Loss or damage to buildings caused by smoke.

3. Riot

Loss or damage to buildings caused by riot, civil commotion, strikes, labour or political disturbances.

We will not cover you for loss or damage in Northern Ireland.

4. Malicious Acts

Loss or damage to buildings caused by malicious acts.

We will not cover you for loss or damage caused while the property is unoccupied or vacant.

5. Storm or flood

loss or damage to buildings caused by storm and/or flood.

We will not cover you for loss or damage:

- Caused by frost.
- To gates, hedges and fences.
- Caused by a rise in the water table or other gradually occurring cause that happens over time.

6. Escape of water or oil

loss or damage to buildings caused by:

(a) Water escaping from any fixed domestic water or heating installation, washing machine, dishwasher, refrigerator, freezer or fixed fish tank.

(b) Oil escaping from any fixed domestic heating installation.

We will not cover you for loss or damage caused while the property is unoccupied or vacant.

7. Theft

loss or damage to buildings caused by theft or attempted theft, following forcible and violent entry to and/or exit from the property.

We will not cover you for loss or damage caused:

- By people lawfully on the premises; or
- While the property is unoccupied or vacant.

8. Impact or Collision

loss or damage to buildings caused by impact or collision from:

- (a) Aircraft or other aerial devices or items dropped from them.
- (b) Vehicles or trains.
- (c) Animals.

We will not cover you for loss or damage caused by pets and livestock either owned by you or a tenant.

9. Falling Objects

loss or damage to buildings caused by:

- (a) Falling aerials (including satellite dishes) their fittings and masts.
- (b) Falling trees or branches.

We will also pay the cost of removing (a) and/or (b), if they have caused damage as covered by this Section 1 to the buildings.

10. Subsidence and ground heave

loss or damage to buildings caused by:

- (a) Subsidence;
- (b) ground heave;
- (c) landslip.

We will not cover you for loss or damage caused by or resulting from:

- Coastal or river erosion.
- Faulty design, workmanship or the use of defective materials.
- Demolition, structural changes or repair to the Buildings.
- The movement of solid floor slabs unless the foundations beneath the external walls of the Property are damaged at the same time and by either (a), (b) or (c) above.
- The bedding down of new structures, settlement, shrinkage or expansion.
- The action of chemicals or chemical reaction.

We will not cover you for loss or damage:

- To walls, gates, fences, paths, drives, terraces, patios, swimming pools, tennis courts, cesspits, septic tanks, central heating fuel tanks unless the property is damaged at the same time and by either (a), (b) or (c) above.
- For which compensation is provided by the National House Building Council Scheme, or other similar guarantee.

11. Frost damage to internal water and heating

loss or damage to buildings caused by frost damage to interior fixed domestic water or heating installations in the property.

We will not cover you for loss or damage caused while the property is unoccupied or vacant

Extensions to your cover under this section

These extensions are automatically included under your policy.

1. Sanitary ware, glass and ceramic hobs.

loss or damage to glass, sanitary ware and ceramic hobs; or

- accidental damage to ceramic hobs in fixed appliances if fitted, fixed glass and sanitary ware all forming part of the property.
-

We will not cover you for damage caused while the property is unoccupied or vacant.

2. Cables, pipes and tanks

loss or damage to cables, pipes and tanks; or

- accidental damage for which you are legally responsible to any cables, underground service pipes, drains or underground tanks servicing the property.

We will not cover you for:

- The cost of cleaning blocked drains *unless* the blockage is caused by damage to the fabric of the drains covered by this Section 1.
- Damage caused to pitch fibre drains and/or by any hidden defect in the design, construction or installation of the drains.

3. Trace and Access

costs and expenses incurred to locate the source of a water leak and loss or damage caused by locating the source, following damage covered under '6. Escape of water or oil'.

We will pay the costs you incur in locating the source of the damage up to £2,500 for any one claim.

We will not cover you for any amount above £25,000 for all claims during any one period of insurance.

4. Additional professional fees and regulatory costs

with our consent, the following extra costs you may incur following loss or damage covered by this Section 1:

- the costs of complying with any government or local authority requirement
- fees to architects, surveyors and consulting engineers
- legal fees
- the cost of clearing the premises and making the premises and the property safe.

We will not cover you for any:

- Costs or fees for preparing and handling a claim under this Section 1.
- Costs of complying with requirements that you were given notice of before the damage occurred.
- Costs for undamaged parts of the buildings except the foundations.

5. Emergency Access/Landscape Gardens

loss or damage to the buildings or landscaped gardens or grounds within your premises caused by a member of the emergency services breaking into the property to prevent loss or damage to your property.

The most we will pay is £10,000 for any one claim.

6. Replacement of Locks

costs you incur as a result of the necessary replacement of locks at the property described in your schedule following theft of keys from you.

The most we will pay is £500 for any one claim.

7. Unauthorised use of electricity, gas or water

costs you are legally responsible for as a result of unauthorised use of metered electricity gas or water by people taking possession or occupying the property without your authority.

Provided that you shall take all practical steps to end such unauthorised use as soon as it is discovered.

The most we will pay is £1,000 for any one claim.

8. Capital Additions

The cover under this Section 1 extends to cover alterations and improvements to the buildings during the current period of insurance provided that:

- (a) you give us details of the alterations and/or improvements as soon as reasonably practicable; and
- (b) you ensure specific insurance is arranged with us for those alterations and/or improvements, with the start date of that insurance being the date you become responsible for them.

The most we will pay is 10% of the total buildings Sum Insured or £250,000 whichever is less for any one building.

We will not cover you for appreciation in value of the buildings specified in your schedule.

9. Contracting Purchaser Cover

Where you contract to sell your interest in any buildings, the contracting purchaser who completes the purchase has the benefit of this Policy up to the date of completion, unless the purchaser has arranged his own insurance and without prejudice to any party's rights and liabilities.

10. Day One (non adjustable basis)

This extension applies to each building stated in your schedule individually.

- (a) the declared value having been stated by you, has been used to calculate the Premium;
- (b) at the inception of each period of insurance you will notify us of the declared value of each property insured. In the absence of such declaration the last amount declared by you (increased in accordance with the General Building Cost Index published by the Buildings Cost Information Service of the Royal Institution of Chartered Surveyors or an alternative index selected by us) will be taken as the declared value for the ensuing period of insurance;

(c) where because of the Claims Conditions no payment is to be made beyond the amount which would have been payable had this extension not been in force the sum insured will be limited to the declared value shown in your schedule;

(d) in respect of each property to which this extension applies the underinsurance clause in the Claims Conditions section is amended to read:

'If at the time of damage the declared value of the property insured is less than the cost of reinstatement at the start of the period of insurance then our liability will be limited to the proportion that the declared value bears to the full cost of reinstatement'.

11. Drain Cleaning

costs and expenses incurred in clearing, cleaning and/or repairing drains, gutters, sewers and the like for which you are responsible as a result of damage covered under this Section 1.

The most we will pay is £25,000 for any one claim.

12. Fire Extinguishing Appliances

costs and expenses incurred by you for:

(a) refilling fire extinguishing appliances;

(b) replacing used sprinkler heads;

(c) refilling sprinkler tanks;

as a result of damage covered under this Section 1.

The most we will pay is £5,000 for any one claim.

13. Landlord's Contents

loss or damage to the Contents of the building, for example furniture, furnishings, fixtures and fittings, belonging to you or for which you are responsible for whilst contained within the building.

The most we will pay is the amount show in your schedule for any one claim or £1,000 for any one article.

14. Metered Water or Heating Oil

costs and expenses of additional meter water or heating oil charges incurred by you as a result of damage covered under this Section 1.

The most we will pay is £2,500 for all claims during the period of insurance.

The amount payable by us will be calculated by comparing the charge made by the Suppliers on their account for the period during which the damage occurred with the normal charge in the same period in a previous year, adjusted for any other relevant factors affecting the consumption of water during the period.

15. Mortgagee

The interest of a mortgagee in this insurance will not be prejudiced by any act or neglect of the mortgagor or occupier of any building whereby the risk of damage is increased without the authority or knowledge of the mortgagee provided they notify us immediately on becoming aware of any increase and pay an additional premium if required.

16. Non-Invalidation

The cover will not be invalidated by any act or omission or by any alteration whereby the risk of damage is increased without your authority or knowledge or beyond your control



provided you notify us immediately on becoming aware of any increase and pay an additional premium if required.

17. Removal of Debris

costs and expenses incurred with our consent in removing debris, dismantling, demolishing, shoring up or propping up that part of the buildings destroyed or damaged as a result of an incident covered under this Section 1.

Optional Extension

This cover only applies if you have selected it and it is shown in your schedule.

Accidental damage to the buildings
loss to buildings caused by accidental damage.

We will not cover you for:

- Any loss or damage which we have indicated that we will not cover under this Section 1.
- Cost of maintenance or routine decoration
- Damage occurring while:
 - The property is unoccupied or vacant.
 - The property is undergoing demolition, structural changes or structural repair.
- Damage caused by or arising from:
 - Insects, parasites, vermin, fungus or mildew.
 - Chewing, scratching, tearing or fouling by pets.
 - Atmospheric or climatic conditions or frost (except as covered by 11. Frost damage to internal water and heating
 - Changes, repair, maintenance, cleaning, restoration, dismantling, renovation or breakdown.
 - Faulty design or workmanship or the use of faulty materials.
 - Structural movement, settlement, shrinkage.

Policy Cover

Section 2 – Glass

We will cover you under this Section 2 for:

Glass

loss or damage to glass in the building specified in your schedule.

We will at our option either:

- a) replace the damaged glass; or
- b) pay you the cost of the replacement.

We will not cover you for loss or damage:

- Caused by scratching or chipping.
- To glass already cracked at the start of the period of insurance.



Policy Cover

Section 3 – Rent

We will cover you under this Section 3 for:

1. Loss of rent due to damage to buildings
loss of rent resulting from damage to buildings insured under Section 1.

The most we will cover is the rent sum insured for the building in your schedule.

We will not cover loss or damage caused while the property is unoccupied or vacant.

2. Loss of rent due to access to buildings
loss of rent resulting from damage to property in the vicinity of the buildings being rented which hinders or prevents access to the rented buildings.

The most we will cover is the rent sum insured for the building in your schedule.

We will not cover loss of rent caused by damage to any property related to the supply of electricity, gas, water or telecommunications services to the rented buildings.

Policy Cover

Section 4 – Property Owners' Liability

We will cover you under this Section 4 for;

Property Owners' Liability

We will cover you against your legal liability for damages, claimant's costs and expenses if following an accident during the period of insurance someone suffers bodily injury or their property is damaged.

Your legal liability must be:

- (a) as owner but not occupier of the buildings and their land; or
- (b) resulting from your previous ownership of any private property under Section 3 Defective Premises Act 1972.

The most we will cover any claim or claims arising from one event is the limit of liability specified in your schedule, plus your legal costs agreed by us in writing.

We will not cover you for: Liability arising directly or indirectly from:

- Bodily injury to you, or your family or to an employee.
- Damage to property owned or held in trust by or in your care, custody or control.
- Any contract or agreement that says you or a member of your family or an employee are liable for something which you or they would not otherwise have been liable for.
- Your occupation of the buildings.
- Any business or professional use of the buildings other than in your capacity as owner of the property.
- any loss caused by or contributed to by, or arising from, or occasioned by or resulting from riot or civil commotion.

Liability for:

- The ownership, custody, control or use of:
 - Road vehicles or any other mechanically powered or assisted vehicles (except domestic gardening equipment, battery or pedestrian operated models or toys, golf trolleys or wheelchairs).
 - Caravans, horse boxes or trailers.
 - Aircraft, hang-gliders, hovercraft, watercraft or any other equipment designed for or intended for use on or in water (except battery or pedestrian operated models or toys or hand propelled watercraft not owned by you or a member of your family) or parts or accessories designed for or intended for use on or in any of them.
 - Animals other than domestic pets and horses kept for private hacking;
 - Dogs of a type referred to in the Dangerous Dogs Act 1991.
 - Firearms, except legally-held sporting guns while being used for sporting purposes.
- Any act, error, or omission, in the provision for a fee of any advice, design services, instructions, or specification.

Policy Cover

Section 5 – Employers' Liability

We will cover you under this Section 5 for:

Employers' Liability

We will cover you against your legal liability for damages and claimant's costs and expenses, in respect of bodily injury sustained by your employee in connection with your business as a commercial property landlord. The bodily injury must have occurred within the territorial limits during the period of insurance

If the you comprise of more than one party (which in the case of a partnership includes each individual partner) we will cover each party under the terms of this Section 5 against liability incurred to the other.

We will in addition pay your reasonable legal costs.

Cover to Other Persons

At your request, we will provide cover under the terms of this Section 5 to:

- Any of your partners, directors or employees in respect of liability for which you would have been entitled to cover if the claim had been made against you.
- The legal personal representatives of any person entitled to cover under this Section 5 in respect of liability incurred by that person.

Additional Cover

We will cover you against legal costs incurred in the defence of any criminal proceedings brought for a breach of the Health and Safety at Work Act 1974 or Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the period of insurance.

With our written consent we will also cover your legal costs incurred in an appeal against conviction arising from such proceedings provided that we shall not be liable for the payment of fines and penalties.

At your request, we will also cover any of your partners, directors or employees in respect of liability for which you would have been entitled to cover under this Additional Cover if the proceedings had been brought against you.

Limit of Liability

The most we will cover is £10,000,000 in respect of any claim or numbers of claims arising out of one cause for Bodily injury to employees.

Special Conditions

These conditions apply specifically to this Section 5 only.

Other Insurances

If the liability which is the subject of a claim under this Section 5 is, or would but for the existence of this Section 5 be, insured under any other insurance We shall not be liable under this Section 5 except to the extent of any excess beyond the amount payable under such other insurance had this Section 5 not been effected.

Rights of Recovery

The cover granted by this Section 5 is deemed to be in accordance with the provisions of any law enacted in the territorial limits relating to the compulsory insurance of liability to employees 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.

We will not cover you for:

- Bodily injury arising in connection with work on offshore installations or transit to and from such installations.
- Bodily injury arising when the employee is:
 - (i) Carried in or upon a vehicle;
 - (ii) Entering or getting on to or alighting from a vehicle;

in circumstances where any road traffic legislation requires insurance or security.

Policy Cover

Section 6 – Terrorism

You are not automatically covered under this section unless you have paid the applicable premium and the coverage is shown in your schedule.

We will cover you under this Section 6 for:

Terrorism

The cover provided by Section 1 is extended by this Section 6 to include any loss or damage to buildings directly caused by terrorism occurring during the period of insurance at the premises but only in England Wales and Scotland, and subject to all the terms, conditions and exclusions of this Policy.

The most we will pay under this Section 6 is the relevant sum insured stated in your schedule in any one period of insurance.

We will not cover you for loss or damage in:

- Northern Ireland.
- Isle of Man.
- Channel Islands.
- The territorial seas adjacent to England, Wales and Scotland as defined by the Territorial Sea Act 1987.