



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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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** shown as insured 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 set of horizontal lines.

François-Xavier Boisseau - CEO, Insurance
Ageas Insurance Limited

Important Notice

You have a duty to make a fair presentation of all material and relevant facts 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.

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.

How to make a claim

If **you** need to make a legal expenses claim and this section is shown as being operative on the **schedule**, please refer to the separate Business Legal Guard policy wording for details. 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 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 loss of money, 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 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:
 - i at least two estimates for the replacement of lost, damaged or stolen items
 - ii if the item cannot be repaired, a letter or a report from an independent expert confirming this and the cause of the **damage**.

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, 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 to provide confidential advice over the phone on any tax matters affecting the **business**, under the laws of England, Scotland, Wales and Northern Ireland.

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**.

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 next 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. **We** will always aim to resolve **your** complaint within four weeks of receipt. If **we** are unable to do this **we** will give **you** the reasons for the delay and indicate when **we** will be able to provide a final response. If **we** cannot resolve the differences between us, **you** may refer **your** complaint to the Financial Ombudsman Service if:

- **you** have an annual turnover of less than EUR 2 million and fewer than 10 employees and,
- if for any reason **you** are still dissatisfied with **our** final response, or
- if **we** have not issued **our** final response within eight weeks from **you** first raising the complaint.

You can contact the Financial Ombudsman Service at the address below, however they will only consider **your** complaint once **you've** tried to resolve it with **us**.

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

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.

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.

Data Protection Notice

Please read this notice carefully as it contains important information about **our** use of **personal information**.

In this notice, **we** and **us** and **our** mean Ageas Insurance Limited and **you** and **your** mean **you** and **your** as defined in the Definitions section of the policy wording. **Personal information** means any information **we** have about **you** and the other people insured under **your** policy such as any director, officer, partner or employee of **your** business or any other person connected with **your** business.

Please note that if **you** give **us** false or inaccurate information this could give **us** the right to avoid **your** insurance policy or it could impact **your** ability to claim.

Sensitive information

Some of the **personal information** that **we** ask **you** to provide is known as "sensitive personal data". This will include information relating to health issues, race, religion and any criminal convictions. **We** need to use sensitive personal data to provide **you** with quotes, arrange and manage **your** policy and to provide the services described in **your** policy documents (such as dealing with claims).

How we use personal information

We are part of the Ageas group of companies. **We** may share **personal information** with other companies in the group for any of the purposes set out in this notice. If **you** want to know more about the Ageas group please go to www.ageas.co.uk.

We will use **personal information** to arrange and manage **your** insurance policy, including handling underwriting and claims and issuing renewal documents and information to **you** or **your agent**. **We** will also use **personal information** to assess **your** insurance application and provide information to credit reference agencies.

We may research, collect and use data about **you** from publically available sources including social media and networking sites. **We** may use this data for the purposes set out in this notice, including fraud detection and prevention.

We may have to share **personal information** with other insurers, statutory bodies, regulatory authorities, **our** business partners or agents providing services on **our** behalf and other authorised bodies.

We will share **personal information** with others:

- if **we** need to do this to manage **your** policy with **us** including settling claims
- for underwriting purposes, such as assessing **your** application and arranging **your** policy
- for management information purposes

- to prevent or detect crime, including fraud (see below)
- if **we** are required or permitted to do this by law (for example, if **we** receive a legitimate request from the police or another authority); and/or
- if **you** have given **us** permission.

You can ask for further information about **our** use of **personal information**. If **you** require such information, please write to the Data Protection Officer at the address set out below.

Preventing and detecting crime

We may use **personal information** to prevent crime. In order to prevent and detect crime **we** may:

- check **personal information** against **our** own databases
- share it with fraud prevention agencies. **Your personal information** will be checked with and recorded by a fraud prevention agency. Other companies within the financial services industry may also search such fraud prevention agencies when **you** make an application to them for financial products (including credit, savings, insurance, stockbroking or money transmission services). If such companies suspect fraud, **we** will share **your** relevant **personal information** with them. The information **we** share may be used by those companies when making decisions about **you**. **You** can find out which fraud prevention agencies are used by **us** by writing to **our** Data Protection Officer at the address set out below and/or
- share it with operators of registers available to the insurance industry to check information and prevent fraud. These include the Claims and Underwriting Exchange Register administered by Insurance Database Services Ltd. **We** may pass information relating to **your** insurance policy and any incident (such as an accident, theft or loss) to the operators of these registers, their agents and suppliers.

Dealing with others on your behalf

To help **you** manage **your** insurance policy, subject to answering security questions, **we** will deal with **you** or any director, officer, partner or employee of **your** business or any other person whom **we** reasonably believe to be acting for **you** if they call **us** on **your** behalf in connection with **your** policy or a claim relating to **your** policy.

Marketing

We may use **personal information** and information about **your** use of **our** products and services to carry out research and analysis.

We will only use **personal information** to market **our** products and services to **you** if **you** agree to this.

Data Protection Notice - continued

Monitoring and recording

We may record or monitor calls for training purposes, to improve the quality of **our** service and to prevent and detect fraud. **We** may also use CCTV recording equipment in and around **our** premises.

Further information

You are entitled to receive a copy of any **personal information we** hold about **you**. If **you** would like to receive a copy, or if **you** would like further information on, or wish to complain about, the way that **we** use **personal information**, please write to the Data Protection Officer at:

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

giving **your** name, address and insurance policy number. **We** may charge **you** a small fee for this.

If **we** change the way that **we** use **personal information**, **we** will write to **you** to let **you** know. If **you** do not agree to that change in use, **you** must let **us** know as soon as possible.

You have the right to complain to the Information Commissioner's Office at any time if you object to the way **we** use **your personal information**. For more information please go to www.ico.org.uk.

Definitions

Words which appear in bold within this policy will have the meaning defined below. The Legal Expenses Section has its own set of definitions within the Business Legal Guard policy wording.

Accident

Direct physical loss or **damage** as follows:

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

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

Agent

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

Biomass and Biogas Installations

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.

Buildings

The buildings (excluding glass, blinds and signs) 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 confines of the **premises**
 - j landlord's fixtures and fittings excluding carpets
- all belonging to **you** or for which **you** are responsible.

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.

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).

Computer Equipment

Building management control systems.

Consequential Loss

Consequential or indirect loss (that is any **damage** or

Definitions - continued

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, carpets 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**
- 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 animals
- g **property** more specifically insured
- h any amount exceeding £500 in respect of any one picture, curio or work of art
- i **property** in the open
- j motor vehicles, their contents or accessories.

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
- c is **computer equipment**.

Damage

Loss, destruction or damage.

Data

Information represented or stored electronically including but not limited to code, or series of instructions, operating systems, software, programs and firmware.

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 to Sub-Sections A - and Extension 9 to Sub-Section D of the Property Section – Public Authorities
- b professional fees as allowed by Extension 2 to the Property Section – Professional Fees

- c removal of debris as allowed by Extension 3 to the Property Section – Removal of Debris.

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 road 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 of networks, network services, network connectivity or information systems. Denial of service attacks include, but are not limited to, the generation of excessive traffic into network addresses, the exploitation of system or network weaknesses and the generation of excessive or non-genuine traffic between and amongst networks.

Derangement

Electrical or mechanical malfunction arising from a cause internal to **computer equipment** unaccompanied by visible damage to or breaking of any parts of the equipment.

Director

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

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.

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 computer or other equipment or component or **system** or item which processes, stores, transmits or retrieves **data**, whether owned by **you** or not.

Hydroelectric Installations

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.

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.

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, carpets and other property within the furnished accommodation portion of the **premises** but excluding:

- a **contents of common areas**
- b articles of gold, silver or other precious metals
- c **money**, stamps, certificates, cheques, securities or documents
- d 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
- e clothing and personal effects other than those belonging to **directors, partners or employees** for an amount not exceeding £500 per person
- f animals
- g **property** more specifically insured
- h any amount exceeding £500 in respect of any one picture,

- curio or work of art
- i **property** in the open
- j motor vehicles, their contents or accessories.

Landslip

Downward movement of sloping ground.

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, disks 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 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.

Policy

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

- a the policy wording
- b the Business Legal Guard policy wording if legal expenses are insured
- c the **schedule**
- d the endorsements
- 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**.

Definitions - continued

Premises

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

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**.

Rent Receivable

The money paid or payable to **you** 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 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.

Settlement

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

Subsidence

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

System

Computers, other computing and electronic equipment linked to computer hardware, electronic data processing equipment.

Territorial Limits

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

Terrorism

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

Unoccupied

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

- a 90 consecutive days in respect of houses and flats used exclusively for residential purposes
- b 30 consecutive days in respect of all other buildings.

We, Our, Us

Ageas Insurance Limited.

Virus

Computer viruses or worms, trojan horses, logic bombs or other malware, programming instructions or any set of instructions designed to achieve an unexpected, unauthorised or undesirable effect or operation or otherwise adversely affect computer programs, data files or operations whether involving self replication or not.

You, Your

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

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 manslaughter or any equivalent charge or a breach of health and safety at work, data protection, food safety or consumer 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

With the exception of Sub-Section A - Employers' Liability of the Liability Section, this **policy** does not cover any **damage, injury** or liability 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.

2 War

With the exception of Sub-Section A - Employers' Liability of the Liability Section, this **policy** does not cover any **damage, injury** or liability 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

This **policy** does not cover any **damage** to any **property** in Northern Ireland directly or indirectly caused by, contributed to, by or arising from riot, civil commotion and (except in respect of accidental **damage** or loss of **rent receivable** by fire or explosion) labour disturbances or malicious persons.

4 Terrorism

This **policy** does not cover 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 any act of **terrorism**
- except as provided by Sub-Section A – Employers' Liability and Sub-Section B – Public Liability of the Liability 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

This **policy** does not cover any **damage, injury** or liability directly or indirectly caused by, contributed to, by or arising from:

- a **damage** to any **system** or item which processes, stores, transmits, retrieves or receives **data** whether owned by **you** or not and whether tangible or intangible (including any **data** or information or programs or software) where such **damage** is caused by programming or operating error by any person, acts of malicious persons, **virus, hacking, denial of service attack** or failure of any external network
- b the erasure, loss, distortion or corruption of **data** or unauthorised access to or modification of **data** or information on **systems** or other records, programs or software
- c any misinterpretation, use or misuse of **data** or information on **systems** or other records or software
- 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 or arising from **damage** described in a, b, c or d of this exclusion

but this shall not exclude accidental **damage** or loss of **rent receivable** which results from an insured event which is shown on the **schedule** as operative for **buildings** except for acts of malicious persons which do not involve physical force or violence.

6 Pollution

(Not applicable to the Employers' Liability or Legal Expenses Sections)

This **policy** does not cover any **damage** or liability directly or indirectly caused by, contributed to, by or arising from **pollution or contamination** except for (unless otherwise excluded):

- a **damage** to the **property** insured caused by:
 - i **pollution or contamination** which itself results from any one of Cover Causes 1 or 2
 - ii any of Cover Causes 1 or 2 which itself results from **pollution or contamination**
- b any cover provided under the Liability Section of this **policy** where the **damage** is shown to come within the exception to Exclusion 6 – Pollution, of the exclusions to Sub-Section B – Public Liability of the Liability Section.

General Exclusions - continued

7 Territorial Limits

This **policy** does not cover any **damage, injury** or liability occurring outside the **territorial limits**.

8 Asbestos

This **policy** does not cover any liability of whatsoever nature 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.

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

We will not pay for any claim that is deliberately exaggerated or where **you** or anyone acting for **you** uses, or attempts to use, fraudulent means to obtain benefits under this **policy**. If **you** or they do, or attempt to:

- a **we** will cancel this **policy** from the date of the fraudulent act
- b **we** will not refund any premiums
- c all benefit under this **policy** shall be forfeited.

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 paid in respect of the unexpired **period of insurance** provided no claim has been made during the **period of insurance** in which the cancellation is to take 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) exceeds the amount of the premium paid.

General Conditions - continued

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:

- a a change to the risk which makes it one **we** would not normally accept
- b **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 paid in respect of the unexpired **period of insurance** provided no claim has been made during the **period of insurance** in which the cancellation is to take 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) exceeds the amount of the premium paid.

7 Renewal

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

8 Law Applicable to the 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 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** or
- 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 shall not exceed the applicable limit of indemnity shown on the **schedule**.

Condition Precedent to Liability

1 Notice of Unoccupancy or Occupancy

It is a condition precedent to **our** liability 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 self contained unit within a **building** becomes **unoccupied**
- b the **premises** or a **building** or self contained unit within a **building** becomes occupied after a period of being **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.

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 or loss of **money** 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 Section)

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 Section)

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

(Not applicable to the Liability Section)

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

- a **you** shall 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** shall not exceed the sum insured shown on the **schedule**.

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 the subsequent **damage** which itself results from a cover cause that is otherwise operative
 - 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**
 - ix **pollution** or **contamination**.

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 from any vehicle or trailer
- c except as allowed by Extension 15 to the Property Section

- Contents in the Gardens of Residential Property, of any **property** from any garden, yard or open space
- d arising while the **premises** are **unoccupied**
- e by any **employee** or any person lawfully on the **premises**
- f except as provided by Extension 5 – Theft of Building to Sub-Section A of the Property Section- Buildings.

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 the normal **settlement** or bedding down of new structures
 - ii **settlement**
 - iii compaction or movement of infill or made up ground
 - iv coastal or river erosion
 - v 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 any **damage** for which compensation is provided under or by contract or legislation
- g 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 machine or equipment in which such breakdown or derangement occurs but not excluding the subsequent **damage** which itself results from a cause not otherwise excluded
- 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 **pollution or contamination**
- m 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 from any vehicle or trailer
 - iii except as allowed by Extension 15 to the Property Section - Contents in the Gardens of Residential Property, of any **property** from any garden, yard or open space
 - iv arising while the **premises** are **unoccupied**
 - v by any **employee** or any person lawfully on the **premises**
 - vi except as provided by Extension 5 – Theft of Building to Sub-Section A of the Property Section
- n **subsidence, ground heave or landslip** unless it results from a **defined peril** other than storm or flood and which is not otherwise excluded
- o **settlement** or bedding down of new structures, compaction or movement of infill or made up ground
- p wind, rain, hail, sleet, snow, flood or dust to any fences gates or moveable **property** in the open
- q changes in the water table level
- r 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
- s requisition, confiscation or destruction by order of the government or other statutory authority
- t or resulting from the stopping of work
- u 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

Cover

Sub-Section A – Buildings

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

Buildings

We will pay for **damage** occurring during the **period of insurance** from the cover causes shown against each item of **buildings**.

Extensions to Sub-Section A - Buildings

(Subject to the terms, conditions and exclusions of the sub-section, the section and the **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 Mortgagees

The interest of any mortgagee shall not be prejudiced by any act or neglect of the mortgagor or occupier of any **buildings** insured by this **policy** provided the mortgagee immediately upon becoming aware of such act or neglect shall give notice to **us** and pay any additional premium required.

3 Underground Services

We will pay for **damage** from 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

We will pay for the additional cost of:

- a reinstating the damaged parts of the **buildings**
- b upgrading any undamaged parts of the **buildings** for an amount not exceeding 15% of the amount that would have been payable if the **buildings** had been totally destroyed incurred solely by reason of the necessity to comply with any legislation, statutory requirements or regulations or public authority byelaw, excluding:
 - i any such cost resulting from a notice served on **you** prior to the date of the **damage**

- ii 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** or such further period as **we** may in writing during the 12 months allow. **Our** liability for **damage** to such **property** including such costs and expenses shall not exceed the sum insured shown on the **schedule** (adjusted in accordance with Extension 14 – Index Linking to the Property Section).

5 Theft of Building

If Cover Cause 4 or 6 is operative in respect of a **building**, **we** will pay for **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** provided that **we** shall not be liable for any amount in excess of £25,000.

Sub-Section B – Contents

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

Contents of Common Areas and Landlord's Contents

We will pay for **damage** occurring during the **period of insurance** from 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 the sub-section, the section and the **policy**).

1 Theft of Keys

We will pay for the cost of replacing locks and keys to the **buildings** or **intruder alarm systems** following **damage** to keys by Cover Cause 4 up to £1,000 in any one **period of insurance** provided that the keys were stolen from the **buildings** or **your** private residence or the private residence of any **director**, **partner** or authorised **employee**.

2 Theft Damage to Buildings

We will pay for **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 **damage** by the cover causes shown against each item to **contents of common areas** or **landlord's contents** 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**, from the cover causes applicable to **contents of common areas** or **landlord's contents** up to an amount not exceeding £2,500.

Sub-Section C – Glass, Blinds and Signs

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

We will pay for **damage** at the **premises** from Cover Causes 1, 2, 3 and 4, to:

- a any glass (including polycarbonate shop fronts) fitted to the exterior of the **buildings**
- b **property** insured under 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 a value not exceeding £2,500
- d external signs up to an amount not exceeding £1,500
- e sanitaryware, if the cost of replacement has to be paid by **you**, up to an amount not exceeding £1,500
- f external blinds up to an amount not exceeding £2,500
- g framework following breakage of fixed glass.

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, chipping or cracking of glass
- e **damage** to electrical signs by:
 - i rust or other gradually operating cause
 - ii mechanical or electrical breakdown
 - iii **damage** to tubes unless the surrounding glass is fractured at the same time
- f **damage** arising from repair, removal or erection of glass, blinds, signs or sanitaryware
- g scratching, chipping or cracking 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 as insured on the **schedule**.

We will pay for loss caused by an **accident** to **covered equipment**.

Limit of Indemnity

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 shall not exceed

the amount of the limit of indemnity stated for that item on the **schedule**.

Extensions to Sub-Section D – Machinery Breakdown

(Subject to the terms, conditions and exclusions of the sub-section and the section and the **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 up to an amount not exceeding £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 up to an amount not exceeding £10,000 for any one **accident**.

3 Costs of Reinstating Data

We will pay the costs incurred in recreating or reinstating on to **media data** lost or damaged as a result of an **accident** to or **derangement** of insured **computer equipment** up to an amount not exceeding £25,000.

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 shall 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 shall 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 shall not exceed £1,000,000 for any one **accident**.

Property Section - continued

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 shall 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 shall not exceed £25,000 for any one **accident**.

9 Public Authorities

If an **accident** to **covered equipment** causes **damage** to **buildings** insured by this **policy**, **we** will pay for the additional cost of:

- a reinstating the damaged parts of the **buildings**
- b upgrading any undamaged parts of the **buildings** for an amount not exceeding 15% of the amount that would have been payable if the **buildings** had been totally destroyed incurred solely by reason of the necessity to comply with any legislation, statutory requirements or regulations or public authority byelaw, excluding:
 - i any such cost resulting from a notice served on **you** prior to the date of the **damage**
 - ii 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** or such further period as **we** may in writing during the 12 months allow.

Our liability for **damage** to such **property** including such costs and expenses shall not exceed the sum insured shown on the **schedule** for buildings on Sub-Section A of this section (adjusted in accordance with Extension 14 – Index Linking to the Property Section).

10 Hired In Plant Extension

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**.

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

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

- a 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
- b 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:

- i **damage** to any property on free loan or hire purchase to **you**
- ii **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
- iii 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
- iv loss of use of the **property** insured by this extension or **consequential loss** of any kind
- v 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.

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 Media

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

- a programming error or programming limitation
- b computer **virus**
- c introduction of malicious code
- d loss of **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 Excluded Equipment

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

- a the supporting structure, foundation, masonry, brickwork or cabinet of **covered equipment**
- b insulating or refractory material
- c vehicles, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment, which are included, but not the actual vehicle)
- d self propelled plant and equipment (other than fork lift trucks and pallet trucks used by **you** at the **premises**) dragline excavation or construction equipment
- e equipment manufactured by **you** for sale
- f safety or protective devices due to their functioning
- g tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal
- h any electronic equipment used for research, diagnostic, treatment, experimental or other medical or scientific purposes with a replacement value in excess of £30,000
- i any **manufacturing, production or process equipment** including linked **computer equipment**
- j any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
- k 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)
- l any biomass or biogas installation
- m any hydroelectric installation.

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 Backup Procedures

You shall maintain a minimum of two generations of back-up computer records. These must be checked for accuracy and integrity to ensure a precise match with the source data, be capable of restoration and be taken at intervals no less frequently than every 48 hours. **You** must take all reasonable precautions to store and maintain records in accordance with the recommendations of the makers of the storage devices used.

Extensions to the Property Section

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

1 Non Invalidation

The insurance under this section shall not be invalidated by any act or omission or alteration unknown to **you** or beyond **your** control whereby the risk of **damage** to insured **property** is increased as long as immediately **you** become aware of the increase in risk **you** inform **us**. **We** shall have the right to vary the terms or invoke the cancellation of this **policy** as detailed in General Condition 6 – Our Cancellation Rights.

2 Professional Fees

The sum insured on each item insured by this section 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

We will pay for the cost of removal of debris of insured **property** or dismantling, demolishing, or shoring or propping of the insured **building** resulting from **damage** by the cover causes shown against the **building** or **property** on the **schedule** excluding:

- a costs incurred in removing debris except from the site of such **damage** and the area immediately adjacent to such site
- b costs arising from **pollution or contamination** of **property** not insured by this section.

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** from Cover Causes 1, 2, 3, 4 or 5 subject to a maximum amount of £10,000 for any one loss.

6 Capital Additions

Where **buildings** are shown as insured on the **schedule** **we** will pay for **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** insured by this **policy**
- b any newly acquired **buildings** 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** any changes to the terms, conditions and exclusions of this **policy**.

Our maximum liability under this extension at any one location will not exceed 10% of the total sum insured on **buildings** or £250,000 whichever is lower.

7 Trace and Access

We will pay costs incurred with **our** prior written consent in locating the source of an escape of water or fuel oil from any fixed pipe or apparatus on the **premises**.

We will also pay for the cost of removing any walls, floors or ceilings for access and repairing or replacing them after repair of the pipe or apparatus has been completed.

Property Section - continued

Our liability under this extension shall not exceed £5,000 for any one loss and **we** will not pay the cost of repairs to the actual pipes or apparatus.

8 Clearing of Drains

We will pay the costs and expenses incurred in cleaning, clearing or repairing drains, gutters or sewers at the **premises**, for which **you** are responsible, as a consequence of **damage** caused by Cover Causes 1, 2, 3 or 4 subject to a maximum limit of £10,000 for any one loss.

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 **you** for the cost to replace oil or LPG accidentally lost from a fixed heating installation as a result of **damage** to the fixed heating installation at the **premises** from Cover Causes 1, 2, 3, or 4 subject to a maximum limit of £2,500 for any one loss, but excluding any loss occurring when the **premises** are **unoccupied** or where **damage** is undiscovered for 180 days or more.

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:

- a all practical steps are taken to terminate such unauthorised use as soon as it is discovered
- b **we** will not be liable for any amount in excess of £10,000 for any one loss.

12 Metered Water and Gas Charges

We will pay for metered water and gas charges **you** are responsible for following **damage** from Cover Causes 1, 2, 3, or 4 to the apparatus after the point of the service feed to the **premises** provided that **we** will not be liable for:

- a any loss not discovered within 180 days
- b any loss occurring when the building, unit or flat in which the loss occurs is **unoccupied**
- c any amount in excess of £5,000 any one loss.

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 under Sub-Section A in respect of **buildings** and Sub-Section B in respect of **landlord's contents** and **contents of common areas**, 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 up to £500 in respect of **damage** to **landlord's 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:

- a the first £100 of any one loss
- b **damage** to plants, trees or any growing thing
- c **damage** caused while the buildings the garden pertains to are not occupied by a tenant.

16 Reletting Costs

We will pay up to £5,000 in respect of any costs necessarily incurred by **you** in reletting the **buildings** following insured **damage**.

17 Terrorism Extension

If this extension is shown as insured on the **schedule**, the insurance by this section extends to cover **you** for **damage** within England, Scotland or Wales, but not the territorial seas adjacent thereto as defined in the Territorial Sea Act 1987, nor Northern Ireland, the Isle of Man nor the Channel Islands caused by an act of **terrorism** provided always 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 shall be upon **you**
- b this extension is not subject to any of the exclusions specified in this **policy** other than those applying specifically in respect of this extension as stated in the following provisos d to f
- c this extension is subject to all the terms and conditions of this **policy** except as expressly varied hereby
- d in respect only of residential property, houses, blocks of

flats and other dwellings insured in the name of a private individual, this extension is subject to the exclusion of chemical, biological or radioactive contamination defined as any loss whatsoever or any expenditure resulting or arising therefrom or any **consequential loss** directly or indirectly caused by or contributed to by or arising from:

- i the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - ii ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
 - iii chemical, biological or radiological irritants, contaminants or pollutants
- e this extension is subject to the exclusion of war and allied risks defined as war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
- f this extension is subject to the exclusion of digital or cyber risks, that is any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **damage** to any computer or other equipment or component or system or item which processes stores transmits or receives **data** or any part thereof whether tangible or intangible (including but not without limitation any information or programs or software) and whether owned by **you** or not, where such **damage** is caused by or arising from **virus** or similar mechanism or **hacking** or **denial of service attack**
- g **our** liability in respect of all losses arising out of any one occurrence and in the aggregate in any one **period of insurance** shall not exceed the limits as otherwise specified in this **policy**.

Condition to Terrorism Extension

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

18 Terrorism Extension – Residential Property

This insurance includes **damage** to **property** insured within England, Scotland or Wales, but not the territorial seas adjacent thereto as defined in the Territorial Sea Act 1987, occasioned by or happening through, or in consequence of, an act of any person or group of persons acting on behalf of or in connection with any organisation with activities directed as defined in General Exclusion 4 - Terrorism provided that:

- a this **policy** is issued in the name of an individual or individuals
- b **you** are not a trustee or a body of trustees that holds the **buildings** under a trust
- c **your** main occupation or trade is not that of a property owner
- d the **buildings** are not used for any business, commercial or industrial purposes whatsoever
- e in respect of **damage** to **buildings** contents and subsequent loss of **rent receivable** or **cost of alternative accommodation** in total for any one loss occurrence **our** liability shall not exceed the sum insured shown on the **schedule**
- f **we** will not be liable for **damage** arising directly or indirectly from:
 - i the release or threat of release or explosion of germs or disease or other chemical or biological contagions or contaminants

- 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 shall mean all individual losses arising during a continuous period of twelve hours.

19 Loss of Rent and Alternative Accommodation

If residential property insured by this section becomes uninhabitable as a result of **damage** insured by this section **we** will pay for the cost of:

- a temporary alternative accommodation for your tenants and temporary storage of your tenants furniture or
- b the difference between the **rent receivable** received during the period of repair or rebuilding and the rent receivable which would have been received had the **damage** not occurred and
- c the additional expense necessarily incurred during the period of repair or rebuilding in avoiding or reducing the amount of any loss of **rent receivable** but not exceeding the amount thereby avoided or reduced less any savings in charges and expenses consequent on the **damage** provided that **we** will not be liable:
 - i for any amount in excess of 20% of the sum insured in respect of the damaged **building**
 - ii if the Loss of Rent section is operative

Exclusions to the Property Section

We will not pay for:

- a the amount of the **excess** shown on the **schedule**
- b **damage** to:
 - i vehicles licensed for road use (including their accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - ii **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
 - iii land, piers, jetties, bridges, culverts or excavations
 - iv animals, growing crops, plants or trees
- c **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
- d **damage** to any **property** more specifically insured
- e reduction in value
- f **consequential loss** of any kind
- g 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** shall 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 shown on the **schedule** in respect of that **property** (adjusted in accordance with Extension 14– Index Linking to the Property Section).

Property Section - continued

1 Reinstatement

For items insured by Sub-Section C or where R is shown as the Basis of Settlement 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 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 shall 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.

Underinsurance

If at the time of replacement of any item the sum representing 85% of the cost which would have been incurred in replacement if the whole of the **property** covered by such item had been destroyed exceeds the sum insured on that item at the time of the **damage**, **you** shall be considered as being **your** own insurer for the difference between the sum insured and the sum representing the cost of reinstatement, (or replacement), of the whole of the **property** and shall bear a rateable proportion of the loss or **damage** accordingly.

2 Indemnity

Where I is shown as the Basis of Settlement on the **schedule**, the basis of settlement of any claim shall be 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**.

Underinsurance

If, at the time of **damage**, the sum insured shown on the **schedule** for any item is less than its value, **you** shall be considered as being **your** own insurer for the difference and shall bear a rateable share of the **damage** accordingly.

3 Day One

For items where D is shown as the Basis of Settlement 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 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.

Underinsurance

If at the time of the **damage**, the **declared value** of the insured item be less than the cost of reinstatement at the inception of the **period of insurance**, then **our** liability shall be limited to the proportion which the **declared value** bears to the cost of reinstatement.

Condition Precedent to liability under the Property Section

1 Felt Roof Inspection Condition

It is a condition precedent to **our** liability under this section that **buildings** with a felt roof or section thereof where the mineral felt surface has not been replaced for ten years or longer must be inspected annually by a competent roofing contractor prior to the month of October each year and any necessary works identified should be completed within 60 days of receipt of the report by **you**. Evidence of such inspection and any remedial work identified following such inspection should be kept and produced if requested by **us**.

Loss of Rent Section

The covers described below are only operative if shown as insured on the **schedule**

Cover

Sub-Section A – Rent

We will cover **you** for loss of **rent receivable** as a result of **damage** occurring during the **period of insurance** to **property** used by the **business** at the **premises** from the cover causes shown against this item 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 the sub-section and the section and the **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** arising from **damage** from Cover Causes 1, 2, 3 or 4 to computer records, documents, manuscripts and business books belonging to **you** or held in trust by **you** whilst temporarily at premises not in **your** occupation or whilst in transit by road, rail or inland waterway in the **territorial limits**.

3 Denial of Access

If this cover is shown as insured on the **schedule**, **we** will cover **you** for loss of **rent receivable** up to the limit shown on the **schedule** as a direct result of **damage** from Cover Causes 1, 2, 3 or 4 to **property** within a radius of 1km of the **premises** which prevents or physically hinders the use of or access to the **premises**, whether or not there has been **damage** to **property** at the **premises**. Exclusion 1 to Sub-Section A – Material Damage Insurance does not apply to this extension.

4 Public Utilities

If this cover is shown as insured on the **schedule**, **we** will cover **you** up to the limit shown on the **schedule**, for loss resulting from the interruption of or interference with the **business** as a direct result of accidental failure of wireless

or wired telecommunications services and the public supply of water, electricity or gas at the terminal ends of the supply company's feed to the **premises** not caused by:

- a the deliberate act of the supplier to restrict or withhold the supply
- b atmospheric, solar or lunar conditions causing interference with transmissions to or from any satellite
- c a fault in any part of the installation **you** are responsible for at the **premises**
- d drought

and excluding any interruption of or interference with the **business** as a direct result of a failure of a public supply which lasts less than 24 consecutive hours.

5 Terrorism Extension

If this extension is shown as insured on the **schedule**, this section is extended to include loss of **rent receivable** provided liability is admitted under the applicable Terrorism Extension of the Property Section.

6 Defective Sanitation

We will cover **you** for loss of **rent receivable** arising from any accident causing defects in the drains or other sanitary arrangements at the **premises** which cause restrictions on the use of the **premises** on the order or advice of the local authority provided **we** will not be liable for any amount in excess of £25,000.

7 Managing Agents

We will cover **you** for loss of **rent receivable** arising from **damage** by Cover Cause 1, 2, 3 or 4 to **property** at the premises of **your** managing agents provided that **we** will not be liable 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.

8 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.

Loss of Rent Section - continued

Exclusions to Sub-Section A

1 Material Damage Insurance

We will not pay for loss of **rent receivable** unless at the time of the **damage to property** resulting in loss of **rent receivable**, 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.

Sub-Section B – Cost of Alternative Accommodation

We will cover **you** for the **cost of alternative accommodation** if the **premises** are rendered uninhabitable as a direct result of **damage** occurring during the **period of insurance** to the **buildings** owned by **you** from the cover causes shown against this item on the **schedule** up to the amount shown on the **schedule**.

Extensions to Sub-Section B – Cost of Alternative Accommodation

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

1 Denial of Access

If this cover is shown as insured on the **schedule**, we will cover **you**, up to the limit shown on the **schedule**, for the **cost of alternative accommodation** incurred as a direct result of **damage** occurring during the **period of insurance** from Cover Causes 1, 2, 3 or 4 to **property** within a radius of 1km of the **premises** which prevents or physically hinders the use of or access to the **premises**, whether or not there has been **damage to property** at the **premises**.

2 Public Utilities

If this cover is shown as insured on the **schedule**, we will cover **you**, up to the limit shown on the **schedule**, for the **cost of alternative accommodation** incurred as a direct result of accidental failure of wireless or wired telecommunications and the public supply of water, electricity or gas at the terminal ends of the supply company's feed to the **premises** not caused by:

- a the deliberate act of the supplier to restrict or withhold the supply
- b atmospheric, solar or lunar conditions causing interference with transmissions to or from any satellite
- c a fault in any part of the installation **you** are responsible for at the **premises**
- d drought

and excluding any interruption of or interference with the **business** as a direct result of a failure of a public supply which lasts less than 24 consecutive hours.

Exclusions to Sub-Section B

1 Material Damage Insurance

We will not pay for **cost of alternative accommodation** unless at the time of the **damage to property** causing **costs of alternative accommodation**, 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.

Sub-Section C – Machinery Breakdown

Cover

We will pay **you** for loss of **rent receivable** as calculated under Sub-Section A, subject to the limit shown on the **schedule** for Sub-Section C, directly arising from an **accident to covered equipment** insured by the Property Section for which **we** have admitted liability under Sub-Section D.

Extensions to Sub-Section C

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

1 Computer Operations

We will pay for costs necessarily incurred in minimising or preventing interruption of or interference with **your** computer operations following an **accident to or derangement of computer equipment** insured by the Property Section for which **we** have admitted liability under Sub-Section D – Machinery and Computer Equipment Breakdown subject to a maximum amount of £50,000 in any one **period of insurance**.

2 Additional Access Costs

We will pay for additional cost incurred in order to gain access to repair or replace the **covered equipment** following an **accident** up to an amount not exceeding £20,000 for any one accident.

Exclusions to Sub-Section C

1 Material Damage Insurance

We will not pay for loss of **rent receivable** unless at the time of the **damage to property** causing **loss of rent receivable** 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 such **damage** but for the exclusion of losses below a stated amount or percentage in the policy.

2 Backup Procedures

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

3 Damage to Own Surrounding Property

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.

Basis of Settlement

1 Limit

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**.

2 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.

3 Underinsurance

If the sum insured shown on the **schedule** is less than the **rent receivable** (excluding the allowance for review) for the 12 months (or proportionately increased multiples of this if the maximum indemnity period exceeds 12 months) immediately prior to the occurrence of the **damage** the amount payable will be proportionately reduced.

Liability Section

Sub-Section A – Employers’ Liability

The cover described below is only operative if shown as insured 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** shall not exceed:

- a in respect of an act of **terrorism** the **terrorism** limit of indemnity
- b in respect of all claims other than by an act of **terrorism** the employers’ liability limit of indemnity shown on the **schedule**.

If **we** allege that by reason of the **terrorism** limitation any **injury**, cost or expense is not covered, 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 shall not exceed the applicable limit of indemnity shown on the **schedule**.

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** shall 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 England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- d for costs in connection with proceedings for which a claim has been admitted under Sub-Section B of this section – Public Liability
- 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 **you** are entitled to indemnity under 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 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 Act 1974
- b the Health and Safety at Work (Northern Ireland) Order 1978

provided that:

- a 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**
- b **we** shall not be liable:
 - i for the payment of fines or penalties
 - ii 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
 - iii for costs arising from any offence committed, or alleged to have been committed outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
 - iv 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
 - v 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 England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- e the judgment was against a company, partnership or individual other than **you**, conducting business at or from premises within England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- 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**.

Our liability shall not exceed the limit of indemnity shown on the **schedule** for Sub-Section B - Employers' Liability.

Exclusions to Sub-Section A – Employers' Liability

1 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 or
- c work undertaken from an offshore installation or support vessel.

2 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

1 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** in England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man but **you** shall repay to **us** all sums paid by **us** which **we** would not have been liable to pay but for the provisions of such law.

Sub-Section B – Public Liability

The cover described below is only operative if shown as insured 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 shall not exceed:

- a in respect of an act of **terrorism**, the **terrorism** limit of indemnity
- b in respect of an occurrence of **pollution or contamination**, the pollution limit of indemnity
- c in respect of all claims other than by an act of **terrorism** or occurrence of **pollution or contamination** the public liability limit of indemnity

shown on the **schedule** for this sub-section.

Where liability arises out of or in connection with an act of **terrorism our** maximum liability including damages, **claimants' costs and expenses** and **your costs and expenses** will not exceed the **terrorism** limit of indemnity shown on the **schedule**.

Liability Section - continued

If **we** allege that by reason of the **terrorism** limitation any **damage**, cost or expense is not covered, 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 shall not exceed the applicable limit of indemnity shown on the **schedule**.

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 England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man 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** shall 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** shall not be liable:

- a for the payment of fines or 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 an offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- d for costs in connection with proceedings for which a claim has been admitted under Sub-Section A – Employers' Liability
- 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 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 Act 1974
- b the Health and Safety at Work (Northern Ireland) Order 1978

provided that:

- a the offence under such legislation:
 - i is alleged to have been committed during the **period of insurance** in connection with the **business** and
 - ii does not relate to the health safety and welfare of an **employee**
- b **we** shall not be liable:
 - i for the payment of fines or penalties
 - ii 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
 - iii for costs arising from any offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
 - iv 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
 - v 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 registered in accordance with the requirements of the Data Protection Act 1984, or in the process of applying for such registration which has not been refused or withdrawn provided that **we** shall not be liable:

- i for the payment of fines or penalties
- ii 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
- iii for liability or defence or prosecution costs arising from recording, processing or provision of data for reward
- iv for liability or defence or prosecution costs arising from determining the financial status of a person
- v for liability or defence or prosecution costs arising from an agreement which would not have attached in absence of such agreement
- vi for the cost of rectifying, replacing, reinstating or destroying or erasing any data
- vii 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** or
- 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** shall not be liable:

- i for the cost of remedying any defect or alleged defect in the premises
- ii if **you** are entitled to indemnity from any other source.

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 other than England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man 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
- iii **our** total liability will not exceed the Public Liability limit of indemnity shown on the **schedule**.

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

c liability arising under contract or agreement unless the liability would have arisen in the absence of such contract or agreement.

10 Movement of Obstructing Vehicles

We will cover **you** in respect of 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 owners 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.

Exclusions to Sub-Section B – Public Liability

1 Excess

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

2 Offshore

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 or
- c work undertaken from an offshore installation or support vessel.

3 Products

We will not pay for liability arising from or in connection with any **products supplied** after they have ceased to be in **your** custody or control, other than food or drink supplied to **your** non-paying guests.

4 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**.

5 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.

Liability Section - continued

6 Pollution

We will not pay for liability directly or indirectly arising from or in connection with **pollution or contamination** unless caused by a sudden, identifiable, unintended and unexpected occurrence which takes place in its entirety at a specific time and place during the **period of insurance**.

All **pollution or contamination** arising out of one occurrence shall 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** shall not exceed the pollution limit of indemnity shown on the **schedule**.

7 Jurisdiction

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

8 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.

9 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.

10 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.

11 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.

12 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**).

Directors and Officers Liability Section

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

Definitions

The following definitions apply in addition to the general **policy** definitions

Assured

- a all or any of the persons who were, or now are, or may, during the **period of insurance**, be appointed as a director or officer of the Residents' Management Company for the **premises**, other than its auditors, liquidators, receivers or solicitors
- b the estates, heirs, legal representatives or assigns of such directors or officers in the event of their death, insolvency or bankruptcy
- c spouses or civil partners of such directors or officers, but only in respect of any claim brought against such spouse or civil partner to enforce against the property of such spouse or civil partner a judgment obtained against one of the directors or officers of **you**, for which such director or officer is entitled to indemnity under this insurance.

Wrongful Act

Any:

- a breach of duty
- b breach of trust
- c negligent act, error or omission
- d mis-statement or misleading statement,
- e breach of warranty of authority
- f liability for wrongful trading (under section 214 of the Insolvency Act 1986)
- g libel or slander or defamation of character claimed against the directors or officers solely by reason of their serving as directors or officers.

Controlling Interest

Shares conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in the capital of **you**, for the time being in issue, and conferring the right to vote at general meetings, including shares held by all persons who in relation to each other are associates or persons acting in concert within the meaning of the City Code on Takeovers and Mergers.

Cover

We will cover the **assured** in respect of their activities for and on behalf of the Residents' Management Company, subject to the terms, conditions and exclusions of this **policy** and of this section up to the limit of indemnity shown on the **schedule** for:

1 Directors and Officers Liability

All sums which the **assured** are legally liable to pay as damages including claimants' costs as the result of a claim or

claims first made against them during the **period of insurance** and arising from any **wrongful act** committed in their capacity as directors or officers of **you** for which **you** have not provided indemnity to the **assured**.

2 Company Reimbursement

All sums that the Residents' Management Company are legally liable to pay as damages including claimants' costs as the result of a claim or claims first made against the **assured** during the **period of insurance** arising from any **wrongful act** committed in their capacity as directors or officers of the Residents' Management Company but only when and to the extent that the Residents' Management Company has provided an indemnity to the **assured**.

3 Advancement of Costs and Expenses

All costs and expenses incurred with **our** prior written consent by the directors or officers and to be advanced on a current basis to them in defending any actions, suits and proceedings against the directors and officers before civil courts in respect of a **wrongful act** for which the directors and officers or **you** are entitled to indemnity under this insurance.

In the event there is an allegation of any malicious, dishonest, fraudulent or criminal act or omission on the part of the directors or officers in any civil or criminal proceedings, the costs and expenses reasonably incurred by the directors or officers will only be advanced at **our** discretion and will be repayable if so advanced in the event that the directors or officers plead guilty, or are found guilty, or admit liability or are found liable for any malicious, dishonest, fraudulent or criminal act or omission.

If there is no such advancement, costs and expenses will be reimbursed to the directors or officers in the event of an acquittal or no finding of any malicious, dishonest, fraudulent or criminal act or omission.

Limit of Indemnity

Our liability for all damages and costs and expenses in respect of all claims made during the **period of insurance** shall not exceed the Directors and Officers Liability limit of indemnity shown on the **schedule**.

Directors and Officers Liability Section - continued

Discovery Clause

If **we** refuse to renew the insurance by this section, the **assured** have the right within 30 days of the expiry of the **period of insurance**, and on payment of an additional premium of 50% of the full annual section premium, to one single extension of the **period of insurance** with respect to claims first made against the **assured** during the period of one year after the expiry of the **period of insurance** but only with respect to any **wrongful act** committed or alleged to have been committed by the **assured** before the expiry of the original **period of insurance** shown on the **schedule**. This right must be exercised by notice to **us** in writing within the said period of 30 days. Such extended **period of insurance** shall immediately cease upon acceptance by **you** of an offer of any new insurance.

For the purpose of this clause it is agreed that the offer by **us** of renewal terms, conditions, limits of liability or premium different from those of this **policy** shall not constitute a refusal to renew this insurance.

The extension of the **period of insurance** under this clause does not increase the limit of indemnity under this section.

Conditions to the Directors and Officers Liability Section

1 Claims Notification

The **assured** shall, as a condition precedent to their right to be indemnified under this insurance give, written notice to **us**:

- a of any claim made against them
- b of the receipt of notice from any person of an intention to make a claim against them
- c of any circumstances of which they shall become aware during the **period of insurance** which may give rise to a claim against them.

Where the **assured** have given notice under sub-paragraph b or c, any claim to which that notice or circumstance may give rise after the expiration of the **period of insurance**, shall be deemed for the purpose of this insurance to have been made on the date of notification.

It is hereby understood and agreed that notwithstanding any **excess** contained in this insurance, all claims, complaints or threats of action must be notified to **us** immediately and handled and controlled by **us** (as provided in the following conditions) or no indemnity shall be afforded by this insurance in respect of any such claims, complaints or threats of action.

2 Claims Settlement Consent

We shall have full discretion in the conduct of any negotiations or proceedings or the settlement of any claim or recovery, however **we** shall not settle any claim or any recovery proceedings without the consent of the **assured**. If however the **assured** shall refuse to consent to any settlement recommended by **us** and shall elect to continue the defence of the claim or the prosecution of any recovery or contribution proceedings then **our** liability for the claim shall not exceed the amount which the claim would then have represented if it had been settled at the date of such refusal and then only up to the limit of indemnity.

3 Contest Proceedings

The **assured** shall not be required to contest any legal proceedings unless a Queen's Counsel (or lawyer of similar standing outside England and Wales where appropriate) (to be selected by **us** after consultation with the **assured**) should advise that such proceedings should be contested.

4 Waiver of Subrogation Rights

If any payment is made under this insurance in respect of a claim **we** agree not to exercise **our** subrogated rights of recovery against any person who has been or may be under a contract of service or apprenticeship with **you** unless the payment giving rise to such right has been brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of such person.

5 Controlling Interest

If during the **period of insurance**:

- a more than 50% of the Residents' Management Company directors resign or are removed from office within any 90 day period or
- b any person whether or not an existing shareholder acquires a **controlling interest** in the Residents' Management Company then this insurance shall be restricted (unless **we** agree in writing to the contrary) so as to apply only to **wrongful acts** committed prior to the date of the first of such resignations or removals or such change of control.

Exclusions to the Directors' and Officers Liability Section

1 Excess

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

2 Fraudulent Acts

We will not pay for any claim directly or indirectly caused or contributed to by any malicious, dishonest, fraudulent or criminal act or omission of the **assured** but nothing in this exclusion:

- a shall prevent any person (within the definition of the **assured**) who is not concerned in such malicious, dishonest, fraudulent or criminal act or omission being indemnified in accordance with the terms of this insurance in respect of any loss arising out of any claim in respect of any malicious, dishonest, fraudulent or criminal act or omission by any other person
- b shall prevent the **assured** being indemnified against costs and expenses reasonably incurred in successfully defending an action which arises out of an allegation of a malicious, dishonest, fraudulent or criminal act or omission.

3 Betterment

We will not pay for any claim based upon or attributable to the **assured** gaining any profit or advantage or receiving any remuneration to which he or she was not legally entitled.

4 Excluded Compensation

We will not pay for:

- a taxes, fines, penalties
- b exemplary, punitive or other non-compensatory damages of any kind (these are damages in excess of normal compensation awarded to punish you).

5 USA Jurisdiction

We will not pay for any claim, or loss arising from any claim, first made within the United States of America or Canada or any territories under the jurisdiction or the laws of the United States of America or Canada or for the enforcement of a judgment obtained in such countries or under such laws or any claim or loss arising from work carried out in places of business of the Residents' Management Company situated in the United States of America or Canada.

6 Claims Admission

We will not pay for any claim made by the Residents' Management Company or by any Director or Officer of the Residents' Management Company where:

- a the original claim emanates from an independent third party or shareholder who is not an **assured** who brings an action on behalf of the **assured**
- b the claim is brought by or under the direction of an Office-Holder (as defined in the Insolvency Act 1986) or
- c the claim is in respect of a claim for the wrongful termination of employment of any **employee**.

7 Other Insurances

We will not pay for any claim in respect of which the **assured** is, or but for the existence of this insurance would be, entitled to indemnity under any other insurance except in respect of any excess beyond the amount which would have been payable under such insurance had this insurance not been effected

8 Prior Claims or Knowledge

We will not pay:

- a for any claim arising out of any circumstances or occurrences notified under any insurance attaching prior to the inception of this insurance or which should have been so notified or any other circumstances or occurrences known to the **assured** prior to the inception of this insurance
- b for any claim arising out of any circumstances or occurrences happening prior to the commencement date of the insurance by this **policy** unless:
 - i there was previous insurance operative that would have indemnified the **assured** had the circumstances or occurrences been known to the **assured** prior to commencement of this insurance and
 - ii documentary evidence is provided of such previous insurance and
 - iii the circumstances or occurrences relating to such claim happened no more than two years prior to the commencement of the insurance by this **policy**.

9 Property or Injury Claim

We will not pay for any claim for bodily injury, mental anguish, personal injury, sickness, disease or death or for loss, destruction or damage of or to any property including loss of use thereof.

10 Pollution

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

11 Professional Duty

We will not pay for any claim arising out of any breach of professional duty owed to any client, customer or any other person who relies on the **assured's** advice, design, specification or other professional services.

12 Owner/Occupiers Liability

We will not pay for any claim for breach of any duty owed by **you** as occupier or owner of land or buildings

13 Copyright

We will not pay for any claim for breach of any copyright, patent or other intellectual property right.

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

Ageas Insurance Limited

Registered office address

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