

Elevations Express Property Investors Policy including Heritage Flats

Addendum

This addendum attaches to your policy as an endorsement and amends the wordings stated in the Property Investors Policy as follows:

Amendment to General definition and Condition – Unoccupied means entire building

Endorsement 1 – this endorsement does not apply to commercial portions of any property

The General definition of Unoccupied on page 6 is deleted and restated as follows:

Unoccupied means where any entire building is vacant untenanted or not in use for a period greater than 15 consecutive days.

The General condition headed “Unoccupied building (or portions) on page 9 is re-titled “Unoccupied buildings”

Wherever found in this General condition the words “or portion” are deleted

Amendment to General condition - clarification on work allowed, scaffolding not automatically an alteration of risk

Endorsement 3

Part (b) of the Alteration of risk General condition on page 9 is deleted and restated as follows:

(b) the PREMISES are undergoing major structural alterations or major repair (that does not include where workmen are allowed on the PREMISES to carry out minor repairs alterations general maintenance or redecoration

Property damage section – subrogation waiver for additional parties

Endorsement 4

The following paragraph is added to Memorandum 6 of the Property damage section on page 21

(d) any managing agent management company residents association right to manage company or right to enfranchise company providing that the damage did not result from a criminal fraudulent or malicious act of such

Property damage section – scaffolding does not affect theft cover for buildings unless the building is unoccupied

Endorsement 5

Under Extension 24 of the Property damage section Damage to the buildings by theft (page 29) the wording which reads ““This extension does not apply when scaffolding is erected at the PREMISES unless WE have agreed in writing to continue cover” is deleted and restated as:

This extension does not apply when scaffolding is erected at any PREMISES where the BUILDING is UNOCCUPIED unless WE have agreed in writing to continue cover

Property damage section – enhanced cover for loss of rent and alternative accommodation

Endorsement 6

If Section 3 Rental Income Is not in force the Property damage Extension 27 on page 29 is deleted and restated as follows

27 Loss of rent cost of alternative accommodation and prevention of access

The Cover provided by this extension increases the Sums Insured that apply but only to the extent stated

If any part of the BUILDINGS cannot be lived in following DAMAGE insured by this section or if a resident is denied access by an INSURED EVENT elsewhere within the BUILDINGS WE will pay the reasonable costs in respect of the following

- (a) Loss of rent during the period necessary to restore such part to a habitable or accessible condition
- (b) The reasonable additional expenses necessarily incurred by such owner or lessee for alternative accommodation including those required for residents pets during the period necessary to restore the flat to a habitable condition.

Limit

The maximum amount payable is 33.3% of the buildings sum(s) insured of the block of flats the subject of the claim in respect of each occurrence

The maximum amount payable in respect of each damaged flat will be based on its proportionate share of the total management charges and/or ground rent for the block of flats

It is a condition of this extension that any lessee that is the subject of indemnity must take all reasonable measures to ensure any loss is mitigated

If any claim on this extension is in any respect fraudulent or if fraudulent means are used by any lessee then all benefit under this extension shall be forfeited in respect of that lessee

Liabilities section – indemnity is provided for additional parties

Endorsement 7

Liabilities section – the Definition of You/Your/Yours on page 46 is amended to include the following:

WE will also indemnify at YOUR request

- (a) Your personal representatives in respect of legal liability incurred by You
- (b) at your request
 - (i) any principle
 - (ii) any director partner or employed person of Yours
 - (iii) any owner leesee of any flat
 - (iv) the residents association

in respect of liability for which You would have been entitled to indemnity had the claim been made against You

Applicable to Section 1 - Property Damage

Endorsement 8

Extension 18 (Trace and Access) on page 26 is deleted and replaced by the following

18 Trace and Access

The costs and expenses necessarily and reasonably incurred by YOU with OUR prior consent in locating the source of a leakage of oil or water from any fixed water or heating system in the BUILDINGS and in subsequent repair of damage caused by locating the source

Limit £50,000 any one claim

Applicable to Section 2 – Rental Income

Endorsement 9

Extension 1 (Prevention of access) on page 41 is extended to include

Bomb Hoax

The insurance by this section is extended to cover loss as insured hereunder directly resulting from interruption of or interference with the business carried on by you at the premises in consequence of any bomb scare at or in the vicinity of the premises

Limit £100,000 any one incident

Important - Update to your policy wording

This Notice changes the terms of your policy, whether you have chosen to insure the relevant sections or not. Please check your policy schedule to see the cover that applies in your case.

Before paying your premium please make sure that the cover provided meets your needs. By continuing to insure with us you accept these changes; they form part of your policy so please keep this Notice with your schedule and policy booklet.

Summary of change

Act of Terrorism

We have updated the way in which we provide terrorism cover for property under the policy to make this cover clearer. Cover for an Act of Terrorism is now provided by a new Terrorism section of cover (and the Terrorism insurable event under the property cover has therefore been removed). Other changes have been made to exclude bankers blanket bond and the exclusion relating to loss caused by computer hacking and viruses (and the like) has been extended to also exclude phishing.

Where an act is not certified as an Act of Terrorism, damage would be considered under the property, business interruption or other applicable sections of the policy (other than the Terrorism section). Any extensions for 'non-certified' acts of terrorism which may have appeared in your policy are therefore no longer required and have been removed.

The Terrorism section of cover only applies if shown in your policy schedule.

Policy Clause

- (i) The Act of Terrorism (or 'Act of terrorism') insurable event under the property cover is deleted
- (ii) The following Terrorism section of cover is added to the policy

Terrorism section of cover

This section applies only if shown as applicable in YOUR schedule

Definitions

Each time any of the following words or phrases appear in this section in CAPITAL LETTERS they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

ACT OF TERRORISM

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

BUSINESS INTERRUPTION

means loss arising from interruption or interference with the BUSINESS carried on by YOU at the PREMISES as a result of damage to or destruction of property used by YOU at the PREMISES for the purpose of the BUSINESS

DENIAL OF SERVICE ATTACK

means any actions or instructions 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 excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

EVENT

means all individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same ACT OF TERRORISM

The date and time that any such period of 72 hours shall commence shall be set by US

HACKING

means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether YOUR property or not

NUCLEAR INSTALLATION

means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for

- (a) The production or use of atomic energy
- (b) The carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations
- (c) The storage processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the course of the production or use of nuclear fuel

NUCLEAR REACTOR

means any plant (including any machinery equipment or appliance whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons

PHISHING

means any access or attempted access to data or information made by means of misrepresentation or deception

PROPERTY INSURED

means all property which is insured under other sections of this policy

Excluding

- (a) any land or building which is occupied as a private residence or any part thereof which is

so occupied unless

- (i) the remainder of the building is not a private residence and is insured under this policy
 - (ii) such land or building is not insured in the name of an individual
- (b) any NUCLEAR INSTALLATION or NUCLEAR REACTOR and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such NUCLEAR INSTALLATION or NUCLEAR REACTOR

TERRITORIAL LIMITS

means England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987

VIRUS OR SIMILAR MECHANISM

means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not
This includes but is not limited to Trojan horses worms and logic bombs

Cover

WE will pay YOU for

- (a) damage to or the destruction of PROPERTY INSURED belonging to YOU or for which YOU are legally responsible
- (b) BUSINESS INTERRUPTION as insured by this policy occasioned by or happening through or in consequence of an ACT OF TERRORISM within the TERRITORIAL LIMITS

Provided always that the insurance by this section

- (i) is not subject to any of the general exclusions of this policy
- (ii) is not subject to any long term agreement or undertaking which may otherwise apply
- (iii) is not subject to any terms in this policy which provide for adjustments of premium
- (iv) is subject otherwise to all the terms provisions definitions and conditions of this policy except where expressly varied within this section
- (v) is subject to a maximum period of insurance of 12 months from the inception or renewal date of this policy

Any subsequent period of cover provided by this section whether for 12 months or less is deemed to constitute a new period of insurance provided that

- (a) no subsequent period of insurance by this section shall extend beyond the next renewal date of this policy
- (b) the renewal premium due in respect of this section has been received by US

Basis of settlement

As described in the relevant section of this policy in respect of damage to or destruction of the PROPERTY INSURED or BUSINESS INTERRUPTION

The most WE will pay for any one EVENT is the lesser of

- (a) the total sum insured or
- (b) for each item its individual sum insured or
- (c) any other limit of liability

as stated in the relevant section of this policy less the EXCESS

The EXCESS applicable to losses under this Terrorism section shall be equal to the EXCESS applied in respect of the risk of fire and / or explosion under the other sections of this policy

Exclusions

WE will not be liable for any losses whatsoever

- (1) occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- (2) arising under
 - (a) marine aviation and transit policies
 - (b) motor insurance policies
 - (c) bankers blanket bond
- (3) directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
 - (a) the alteration modification distortion corruption of or 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 without limitation any information or programs or software)
 - (b) any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item

whether YOUR property or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from VIRUS OR SIMILAR MECHANISM or HACKING or PHISHING or DENIAL OF SERVICE ATTACK

Condition

- (1) If WE allege that any loss is not covered by this section the burden of proving that such loss is covered shall be upon YOU

Property Investors Insurance

POLICY DOCUMENT

www.ecclesiastical.com



Contents

Introduction and claims enquiries	3
Helplines	4
Information services	5
General definitions	6
Insuring clause	6
General exclusions	7
General conditions	9
Claims conditions	13
Sections of the policy (see the schedule to see which are in force)	
Section 1 – Property damage	14
Section 2 – Equipment breakdown	32
Section 3 – Rental income	38
Section 4 – Liabilities	45
Section 5 – Legal expenses	55
Section 6 – Terrorism	60
General information	63
– Complaints procedure	63
– The Financial Services Compensation Scheme (FSCS)	63

Introduction

Please read this policy carefully to ensure that it meets your needs.

This policy document must be read with the schedule which shows the sections that are in force and the details of your cover.

How we will use your data

We hold data in accordance with the Data Protection Act 1998. It may be necessary for us to pass data to other organisations that supply products and services for this policy.

Fraud prevention

We may check your details with various fraud prevention and credit reference agencies. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. If you make a claim, we will share your information (where necessary) with other companies to prevent fraudulent claims.

For further information on how we use your data and fraud prevention please refer to our Privacy Policy at www.ecclesiastical.com/privacypolicy

Claims enquiries

For claims other than legal expenses claims call:

0345 603 8381

For new claims the service is available 24 hours a day, 7 days a week.

For enquiries about existing claims, the service is available from Monday to Friday 8am to 6pm.

For legal expenses claims call:

DAS Legal Expenses Insurance Company Limited

0345 268 9124

For all claims

The action to be taken by the policyholder in the event of any incident which may give rise to a claim is shown in the Claims conditions.

Helplines

In the event of a problem, you can obtain help from any of the following helpline services. These are available 24 hours a day 365 days a year for all our policyholders.

Please make sure that you are able to give your policy number shown on your policy schedule.

Emergency glass replacement

0345 600 0148

If you suffer glass breakage you can call upon the services of our selected specialist provider who will effect a rapid repair.

If you are covered for glass breakage under this policy they will issue two separate invoices, an invoice for you to cover the amount of any policy excess and recoverable VAT and an invoice which is sent directly to us for the remaining costs.

If the glass is not insured you will be solely responsible for the entire cost of repairs.

The following are provided by DAS Legal Expenses Insurance Company Limited (DAS).

To help them check and improve their services all calls (except those relating to counselling) are recorded.

DAS will not accept responsibility if the Helpline Services fail for reasons they cannot control.

Business assistance

0345 268 9124

In the event of an unforeseen emergency affecting your premises which causes damage or potential danger DAS will contact a suitable repairer or contractor and arrange assistance on your behalf.

You are responsible for paying contractors' fees, but if the damage is covered under your policy you will be able to submit a claim in the normal way.

Eurolaw commercial legal advice

0345 268 9124

DAS can provide legal advice on any commercial legal problem affecting you, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

Tax advice (commercial)

0345 268 9124

DAS can provide advice on any tax matters affecting you, under the laws of the United Kingdom.

Counselling

0345 266 9667

DAS can provide all your employees (including any member of their immediate family who permanently live with them) with a confidential counselling service over the telephone, including where appropriate, onward referral to relevant voluntary and/or professional services.

DAS are unable to provide the counselling service to persons under the age of 18.

Information services

Provided by DAS Legal Expenses Insurance Company Limited (DAS).

Employment manual

The DAS Employment manual provides up-to-date guidance on employment law.

To view the Employment manual please visit the DAS website at www.das.co.uk

From the Home Page click on the Employment manual icon. You can print any part of this document for your own use.

Email DAS at employmentmanual@das.co.uk with your email address, quoting your policy number and DAS will contact you by email to inform you of future updates to the information.

DAS businesslaw

At www.dasbusinesslaw.co.uk there is an online reference, to help you run your business successfully. The material is updated regularly by legal experts to help you keep your business one step ahead.

You can also access interactive document builders, to help you compose commercial documents.

To register your details, access the DAS businesslaw website at www.dasbusinesslaw.co.uk

When asked for your policy number, please insert your Ecclesiastical policy number prefixed with 'EIG' and the password is **DAS472301**

General definitions

Each time the following appear in bold italic type (or in capital letters in the schedule) they will take the meaning shown below unless specifically defined in a policy section

If they are not highlighted the everyday meaning will apply

Business

means the owner of the property and ***premises*** insured by this policy

Company/we/our/us

means Ecclesiastical Insurance Office plc

Condition precedent to liability

means a condition of this policy where non-compliance (provided that such non-compliance is material to the loss) shall mean the claim will not be paid and any payment on account of the claim already made by ***us*** shall be repaid to ***us***

Damage

means physical loss destruction or damage

Excess

means the first amount of each and every loss (after applying any adjustment for underinsurance) up to the amount set out in the schedule to this policy relevant to that loss

Geographical limits

means England Scotland Wales Northern Ireland the Channel Islands and the Isle of Man

Insured/you/your

means the Insured shown in the schedule

Premises

means the buildings at the addresses shown in the schedule and the land within the boundaries belonging to them

Unoccupied

means vacant untenanted or not in use for a period greater than 15 consecutive days

Insuring clause

This policy document and the schedule including all clauses applied to the policy shall together form the policy and be considered as one document

In consideration of payment of the premium ***we*** will provide insurance against loss destruction damage injury or liability (as described in and subject to the terms conditions limits and exclusions of this policy or any section of this policy) occurring or arising in connection with ***your business*** during the period of insurance or any subsequent period for which ***we*** agree to accept a renewal premium

General exclusions

This policy does not cover the following

1 Excess

Any **excess**

2 Other insurances

Property more specifically insured under another policy

3 Radioactive contamination

Loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

- (a) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- (b) the radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (d) the radioactive toxic explosive or other hazardous or contaminating properties of any radioactive matter
Part (d) does not extend to radioactive isotopes other than nuclear fuel or nuclear waste when such isotopes are on the property insured and are being prepared stored or used in the normal course of operations by **you** for the commercial agricultural medical scientific or other similar peaceful purposes for which they were intended
- (e) any chemical biological bio-chemical or electromagnetic weapon

However this exclusion does not apply to losses arising from naturally occurring radioactive gases released from the earth such as Radon

This exclusion does not apply to Cover 1 of the Liabilities section except in respect of liability of any principal and liability assumed by agreement

4 War risks

Loss or damage directly or indirectly occasioned by happening through or in consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

This exclusion does not apply to Cover 1 of the Liabilities section

5 Date recognition

Any claim directly or indirectly arising from the failure or possible failure of any **computer**

- (a) correctly to recognise any date as its true calendar date
- (b) to save and/or correctly interpret or process any data or command as a result of treating any date other than its true calendar date
- (c) to save or correctly process any data on or after any date

but this shall not exclude subsequent **damage** or consequential loss not otherwise excluded which itself results from a **defined peril**

Definitions specific to this exclusion

Computer

means computer or other equipment media or system (or any part of them) for processing storing or retrieving data to include without limitation any microchip integrated circuit or similar device or any computer software

Defined peril

means any of the insured events specified in any section(s) of this policy insuring property excepting

- (a) the Equipment breakdown section
- (b) accidental loss destruction or damage and
- (c) causes excluded from these insured events

This exclusion does not apply to the Liabilities section

6 Terrorism

Definitions specific to this exclusion

Act of terrorism

In respect of

- (a) **England Wales and Scotland (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987)**

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

- (b) **all other instances**

means an act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection

with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear

Any loss damage cost or expense directly or indirectly caused by contributed to by resulting from or arising out of or in connection with any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss

This insurance also excludes loss damage cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to any **act of terrorism**

If **we** allege that by reason of this exclusion any loss damage cost or expense is not covered by this policy the burden of proving the contrary shall be upon **you**

This exclusion does not apply to the following sections: Liabilities Legal expenses and Terrorism

General conditions

1 Policy voidable

You must ensure that a fair presentation of the risks to be insured is made to **us**

In the event of misrepresentation, misdescription or non-disclosure of any material fact or circumstance **we** may void the policy and retain any premium paid where such misrepresentation, misdescription or non-disclosure is deliberate or reckless.

Where such misrepresentation, misdescription or non-disclosure is not deliberate or reckless **we** may at **our** option:

- (a) void the policy and refund to **you** any premium paid if **we** would have not entered into this policy on any terms had clear representation, description and disclosure been made
- (b) proportionately reduce the amount to be paid on any claim if **we** would have entered into this policy on the same terms but for a higher premium. The reduction in claim payment will represent the percentage difference between the premium **you** have paid and the premium **we** would have charged **you** had clear representation, description and disclosure been made.
- (c) impose additional terms on this policy if **we** would have entered into this policy on such additional terms but at the same premium had clear representation, description and disclosure been made. **We** may apply these additional terms to **your** policy with effect from inception.

2 Reasonable care

It is a **condition precedent to liability** that **you** shall:

- (a) take all reasonable precautions to prevent **damage**, accident, illness and disease
- (b) exercise reasonable care in seeing that all statutory and other obligations and

regulations are observed and complied with.

- (c) maintain the **premises**, works, machinery and plant in sound condition.

3 Alteration of risk

If after the commencement of this insurance:

- (a) there is any alteration of risk which increases the risk of **damage**, accident or liability
- (b) the **premises** are undergoing major structural alterations or major repair (that does not include where workmen are allowed on the **premises** to carry out minor repairs, alterations or general maintenance not involving external scaffolding)
- (c) **your** interest ceases except by will or operation of law
- (d) an administrator or a liquidator or receiver is appointed or where **you** enter into a voluntary arrangement
- (e) there is any other material change in use of the **premises**.

you must tell **us** as soon as is reasonably possible.

Upon any alteration described above **we** shall be entitled to cancel the policy from the date of the alteration or impose special terms or charge an additional premium.

This condition does not apply where buildings become **unoccupied** as this is dealt with under the 'Unoccupied buildings (or portions)' general condition.

4 Unoccupied buildings (or portions)

If the period during which the building is **unoccupied** exceeds 3 calendar months **we** reserve the right to review the insurance in respect of such **premises**.

It is a **condition precedent to liability** that:

- (1) **You** must tell **us** as soon as is practicable if any building or portion becomes or is to become **unoccupied** and

- (2) **You** must comply with any extra security measures or other protections **we** ask for and
- (3) Unless agreed otherwise by **us** in writing **you** must bring the following measures into place by the 16th day of vacation and continue to operate them throughout the period during which the **premises** or portion are **unoccupied**
- (a) All electricity gas and water services must be turned off at the mains and all water systems drained down except that **you** must preserve the services for any intruder alarm or fire alarm or automatic sprinkler system and ensure that these continue in full and effective operation at all times. If to preserve the automatic sprinkler system **you** are unable to turn off the water supply and drain down then **you** must set the heating so that a minimum of 5°C is maintained
- (b) **You** must ensure that any fuel or storage tanks are drained down or emptied and their contents removed by **your** usual supplier
- (c) **You** must keep the site clear of waste materials gas bottles and redundant contents
- (d) **You** must close and secure all points of access to the **premises** or portion and bring into operation all locks and other protections fitted to the **premises** or portion. In the absence of appropriate locks accessible windows and doors must be boarded over or screwed shut. All letterboxes must be sealed shut.
- (e) A responsible person must inspect the **premises** or portion internally and externally at least once a week to ensure that there is no deterioration in the fabric of the building and that parts 3 (a) (b) (c) and (d) of this condition are being wholly complied with. If there is any breach **you** must

notify **us** and take the necessary action to comply as soon as **you** become aware and

- (4) **You** must tell **us** as soon as the building or portion is to be occupied again and
- (5) **You** must give **us** advice as soon as is reasonably possible of any illegal entry to or **damage** to the property whether **you** intend to make a claim or not and
- (6) **You** must pay a suitable additional premium from the date of the change if required

Where for any reason it is not possible to comply with this condition **you** must tell **us** whereupon **we** may agree an alternative in writing

5 Multiple insurances

(a) Applicable to all sections except those detailed below

If at the time any claim arises under this policy there is any other insurance in force whether effected by **you** or not covering the same **damage we** shall not be liable for more than **our** rateable proportion

If such other insurance is subject to any condition of underinsurance this policy if not already subject to any condition of underinsurance shall be subject to that condition of underinsurance in like manner

(b) Applicable to the Equipment breakdown Liabilities and Legal expenses sections

If at the time of any claim arising under this policy **you** are or would but for the existence of this policy be entitled to indemnity under any other policy or policies **we** shall not be liable except in respect of any additional amount beyond the amount which would have been payable under such other policy or policies had this insurance not been effected

6 Fraudulent claims

If a claim made by **you** or anyone acting on **your** behalf or any other person claiming to obtain benefit under this policy is fraudulent or exaggerated whether ultimately material or not or if any **damage** is caused by **your** wilful act or with **your** connivance **we** may at **our** option

- (a) repudiate the claim
 - (b) recover any payments already made by **us** in respect of the claim
 - (c) cancel the policy from the date of the fraudulent act and retain the premium due for the unexpired period of insurance from the date of cancellation up to the renewal date
- If **we** cancel the policy **we** will notify **you** in writing by special delivery to **your** last known address

7 Arbitration

Provided **we** have admitted liability for a claim any dispute as to the amount to be paid shall be resolved by arbitration in accordance with the statutory provisions in force at the time by

- (a) an agreed arbitrator or if an arbitrator cannot be agreed
- (b) an arbitrator appointed by the Chartered Institute of Arbitrators following a request from either party provided they have given seven days written notice to the other party

You must not take legal action against **us** over the dispute before the arbitrator has reached a decision

8 Cancellation

In circumstances other than those in the Alteration of risk condition **we** may cancel the policy or any section of it by sending seven days' notice commencing from the date of posting by special delivery to **you** at **your** last known address and shall refund to **you** the proportionate premium for the unexpired period of cover

9 Adjustment of premium

If any part of the premium has been calculated on estimates **you** shall within 30 days from the expiry of each period of insurance supply to **us** such information as **we** may require

The premium for such period will be adjusted and the difference paid by or allowed to **you** subject to any minimum premium

10 Long term agreement

Where shown in the schedule that a discount of premium is allowed in consideration of **you** having made an agreement to offer annually certain insurances under this policy on the terms in force at the expiry of each period of insurance and to pay the premium annually in advance it is understood that

- (a) **we** shall be under no obligation to accept an offer made in accordance with the above-mentioned agreement
- (b) the sum insured may be reduced at any time to correspond with any reduction in value or variation in the **business**

This agreement shall apply to any policy or policies which may be issued by **us** in substitution for this policy and the same discount shall be allowed from the corresponding premium for any substituted policy or policies issued by **us**

11 Sanctions

We shall not provide any cover under this policy or be liable to pay any claim or provide any benefit to the extent that the provision of such cover payment of such claim or provision of such benefit would expose **us** to any sanction prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union United Kingdom or United States of America

If any such sanction prohibition or restriction takes effect during the period of insurance **you** or **we** may cancel that part of this policy which is affected with immediate effect by giving such notice in writing

In such circumstances **we** shall return a proportionate premium for the unexpired period of cover provided no claims have been paid or are outstanding

12 Assignment

You shall not assign any of the rights or benefits under this policy or any section of this policy without **our** prior written consent **We** will not be bound to accept or be affected by any notice of trust charge lien or purported assignment or other dealing with or relating to this policy or any section of this policy

13 Law applicable

This policy (other than the Legal expenses section) shall be governed by and construed in accordance with the law of England and Wales unless the **Insured's** habitual residence (in the case of an individual) or central administration and/or place of establishment is located in Scotland in which case the law of Scotland shall apply

14 Rights of third parties

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

Claims conditions

Your duties

When an incident occurs that may result in a claim it is a **condition precedent to liability** that **you** shall

- (a) take all practicable steps to recover property lost and otherwise minimise the claim
- (b) tell the police as soon as is reasonably possible if the **damage** is caused by thieves malicious persons vandals or as a result of riot civil commotion strikes or labour disturbances
- (c) tell **us** as soon as **you** become aware
- (d) within 30 days give **us** at **your** expense any information **we** require and continue to provide **us** with any information and assistance **we** require before or after **we** pay **your** claim under the policy
- (e) not make or allow to be made on **your** behalf any admission offer promise payment or indemnity without **our** written consent
- (f) forward to **us** every letter claim writ summons and process immediately upon receipt without acknowledgement and advise **us** in writing as soon as **you** have any knowledge of any impending prosecution inquest or inquiry in connection with that event

Additional conditions apply to Legal expenses cover which are detailed in the section

Our rights

We may

- (a) start take over defend and conduct any legal action in **your** name
- (b) prosecute in **your** name for **our** benefit any claim for indemnity or damages

We will have full discretion in the conduct and settlement of any such action

- (c) enter any building where **damage** has occurred and take and keep possession of any property insured by this policy

We will not accept property abandoned to **us**

This policy shall be proof that **you** have authorised **our** rights under this condition

- (d) at any time pay to **you** the limit of indemnity
 - (i) in the case of Employers' liability or Prosecution defence cost claims less any amount already paid or incurred
 - (ii) in the case of Public liability claims less any amount already paid or incurred as damages
 or any lesser amount for which at **our** discretion any claim or claims can be settled

We will then relinquish control of the claim and have no further liability except for any Public liability claim (other than any claim originating from within the legal jurisdiction of the United States of America or Canada)

We will also pay any legal costs incurred prior to the date of such payment

Additional conditions apply to Legal expenses cover which are detailed in the section

1 Property damage

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Buildings

means the buildings at the **premises** including landlord's fixtures and fittings outbuildings walls gates and fences piping ducting cables wires and associated control gear and accessories on the **premises** and extending to the public mains but only to the extent of **your** responsibility fixed aerials and satellite dishes wind turbines fixed to the buildings solar panels yards car parks roads and pavements storage tanks artificial playing surfaces swimming pools and associated apparatus

Bridges land piers jetties culverts and excavations are excluded unless specifically mentioned in this policy

Unless stated otherwise buildings are brick stone or concrete built and roofed with slates tiles concrete metal asphalt or sheets or slabs composed of incombustible mineral ingredients

If on the schedule for any location the trade is described as 'private dwelling house(s)' the definition of **buildings** is amended to read as follows

Any private dwelling house including garages and outbuildings permanent fixtures and fittings swimming pools tennis courts paths drives terraces patios walls fences hedges and gates piping ducting cables wires and associated control gear

and accessories all within the boundaries of the land belonging to the private dwelling and used for domestic purposes

If on the schedule for any location the trade is described as 'private flat(s)' the definition of **buildings** is amended to read as follows

Any purpose-built block of flats or private dwelling house converted to private flats and their permanent fixtures and fittings (including whilst in or fixed to the common parts entry systems security or surveillance equipment and fitted floor coverings) domestic outbuildings and garages swimming pools tennis courts paths drives terraces patios walls fences hedges and gates piping ducting cables wires and associated control gear and accessories all on the same site

Contents of common parts

means furniture and furnishings owned by **you** or for which **you** are responsible in those parts of the **buildings** to which all tenants have access and the maintenance and cleaning equipment machinery and tools **you** keep in the **buildings** in connection with **your business**

But excluding

- (a) landlord's fixtures and fittings
- (b) money securities coins stamps jewellery watches furs precious metals precious stones or articles made from them computer systems records curios works of art antiques sculptures rare books plans patterns moulds designs or explosives
- (c) any other property more specifically insured

Insured event(s)

means any insurable event shown as included in the schedule to this policy

Item(s) insured

means the items insured as set out in the Property damage section of the schedule to this policy

Cover

We will indemnify **you** (by payment up to the value of the **items insured** at the time of the **damage** or at **our** option by repair reinstatement or replacement) in respect of **damage** to the **items insured** by any **insured event** happening during the period of insurance

Provided that **our** liability in any one period of insurance shall not exceed the sum insured for each item nor the total sum insured for all items

Unless specified otherwise in the schedule **our** liability for the **contents of common parts** is limited to £25,000 any one **premises**

Insurable events

1 Fire lightning and explosion

Fire not caused by

- (a) the property's own spontaneous fermentation or heating or its undergoing any process involving the application of heat
- (b) earthquake subterranean fire riot or civil commotion

Lightning

Explosion excluding

- (a) **damage** in respect of and originating in any vessel machinery or apparatus or its contents belonging to **you** or under **your** control which is required to be examined to comply with any statutory regulations unless such vessel machinery or apparatus is the subject of a contract providing the required inspection service
- (b) **damage** consisting of the bursting of a boiler economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to **you** or under **your** control

2 Aircraft

Aircraft and other aerial devices or articles dropped from them

3 Riot

Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances excluding

- (a) **damage** resulting from cessation of work
- (b) **damage** occasioned by confiscation or destruction or requisition by order of the government or any public authority

4 Malicious persons

Malicious persons excluding

- (a) **damage** resulting from cessation of work
- (b) **damage** by theft or attempted theft or by risks described in Insurable event 1 Fire lightning and explosion
- (c) **damage** to moveable property in the open except as specifically provided for in the Property in the open extension
- (d) **damage** occasioned by confiscation or destruction or requisition by order of the government or any public authority

5 Earthquake

6 Subterranean fire

7 Storm

Storm excluding

- (a) **damage** by
 - (i) the escape of water from the normal confines of any natural or artificial water course or lake reservoir canal or dam
 - (ii) inundation from the sea whether resulting from storm or otherwise

- (b) **damage** attributable solely to change in the water table level
- (c) **damage** by frost subsidence or landslide
- (d) **damage** to fences gates hedges (if insured) and moveable property in the open except as specifically provided for in the Property in the open extension

8 Flood

Flood caused by

- (a) the escape of water from the normal confines of any natural or artificial water course (other than water tanks apparatus or pipes) or lake reservoir canal or dam
- (b) inundation from the sea

but excluding

- (i) **damage** attributable solely to change in the water table level
- (ii) **damage** by frost subsidence or landslide
- (iii) **damage** to fences gates hedges (if insured) and moveable property in the open except as specifically provided for in the Property in the open extension

9 Escape of water

Escape of water from any tank apparatus or pipe including **damage** to any water tank apparatus or pipe itself caused by freezing of water excluding **damage** by water discharged or leaking from an installation of automatic sprinklers

10 Impact

Impact by any road or rail vehicle or animal

11 Falling trees

Falling trees branches telegraph poles lamp posts or pylons

12 Falling aerials

Breakage or collapse of television and radio receiving aerials aerial fittings and masts satellite dishes wind turbines solar panels and security equipment attached to a building

13 Escape of oil

Escape of oil from any fixed oil-fired heating installation or storage tank

14 Sprinkler leakage

Accidental escape of water from any automatic sprinkler installation in the **premises** not caused by explosion earthquake subterranean fire or heat caused by fire

15 Accidental damage

Any other accidental **damage** excluding

- (a) **damage** which is specifically included or excluded elsewhere under this section
- (b) **damage** caused by or consisting of inherent vice latent defect depreciation gradual deterioration wear and tear its own faulty or defective design or materials faulty or defective workmanship but this shall not exclude subsequent **damage** which itself results from a cause not otherwise excluded
- (c) **damage** caused by or consisting of corrosion dust rust wet or dry rot contamination mildew shrinkage evaporation loss of weight dampness dryness marring scratching vermin insects change in temperature colour flavour texture or finish
- (d) **damage** caused by or consisting of erasure loss distortion or corruption of information on computer systems or other records programs or software
- (e) **damage** to property resulting from its undergoing any process of cleaning

dyeing restoration production packing
treatment testing commissioning
servicing or repair

- (f) **damage** caused by atmospheric and climatic conditions other than storm or flood
- (g) **damage** consisting of
 - (i) joint leakage failure of welds or cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - (ii) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates
- (h) **damage** caused by or consisting of
 - (i) acts of fraud or dishonesty
 - (ii) disappearance unexplained or inventory shortage misfiling or misplacing of information
- (i) **damage**
 - (i) to a building or structure caused by its own collapse or cracking
 - (ii) to moveable property in the open fences gates and hedges (if insured) by wind rain hail sleet or snow
 - (iii) to wind turbines

16 Subsidence

Subsidence heave or landslip of the site on which the **premises** stand excluding **damage**

- (a) attributable solely to change in the water table level
- (b) to bridges (if insured) boundary walls gates fences piping ducting cables wires and associated control gear and accessories yards car parks roads and pavements storage tanks artificial playing surfaces and swimming pools unless also resulting in **damage** to a building insured under this policy

- (c) caused by or consisting of
 - (i) the normal settlement or bedding-down of new structures
 - (ii) the settlement or movement of made-up ground
 - (iii) coastal or river erosion
- (d) caused by defective design or workmanship or the use of defective materials
- (e) caused by fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe
- (f) which originated prior to the inception of cover
- (g) resulting from
 - (i) demolition construction structural alteration or repair of any property
 - (ii) groundworks or excavation at the same **premises**

Special condition

You shall notify **us** as soon as **you** become aware of any demolition groundworks excavation or construction being carried out on any adjoining site

We shall then have the right to vary these terms or cancel this cover

17 Theft or attempted theft

Theft or attempted theft of the **contents of common parts**

Excluding **damage** to the **buildings** as a result of theft or attempted theft

18 Glass and sanitary fixtures

Accidental **damage** of any part of the exterior and interior glass sanitary fixtures or signs including the reasonable cost of

- (a) repairs to framework following breakage of the insured glass
- (b) necessary boarding-up pending replacement of the insured glass
- (c) in the case of multiple glazing the additional cost of re-creating vacuums or the purchase and installation of new sealed units
- (d) replacing any lettering painting or alarm foil on such glass

but excluding

- (i) **damage** for which the tenant is responsible under the terms of any lease
- (ii) **damage** which is specifically included or excluded elsewhere under this section
- (iii) **damage** to glass sanitary fixtures or signs already damaged at the commencement of the insurance
- (iv) disfiguration or **damage** to glass not extending through the entire thickness of the glass
- (v) **damage** to glass while not fixed
- (vi) **damage** caused by or traceable to alterations to the **premises** or in the glass whereby the risk of **damage** is increased
- (vii) **damage** to bulbs or tubes unless the signs in which they are contained are damaged at the same time

Basis of settlement

Reinstatement

Applicable unless stated otherwise in the schedule

Subject to the following special conditions the basis upon which the amount payable in respect of property insured under this section is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose "reinstatement" means

- (a) the rebuilding or replacement of property lost or destroyed which provided our liability is not increased may be carried out
 - (i) in any manner suitable to **your** requirements
 - (ii) upon another site
- (b) the repair or restoration of property damaged

In the case of (a) or (b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special conditions applicable to this basis of settlement

- 1 If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item subject to this memorandum exceeds its sum insured at the time of commencement of any **damage our** liability shall not exceed that proportion of the amount of the **damage** which the said sum insured adjusted for index linking shall bear to the sum representing the total cost of reinstating the whole of such property at that time
- 2 **Our** liability for the repair or restoration of property damaged in part only shall not exceed the amount which would

have been payable had such property been wholly destroyed

- 3 No payment beyond the amount which would have been payable in the absence of this memorandum shall be made
- (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement shall have been actually incurred
 - (c) if the property insured at the time of its **damage** shall be insured by any other insurance effected by **you** or on **your** behalf which is not upon the same basis of reinstatement
- 4 All the terms and conditions of the policy shall apply
- (a) in respect of any claim payable under this memorandum except insofar as they are varied hereby
 - (b) where claims are payable as if this memorandum had not been incorporated

Loss of market value

If **you** elect not to rebuild or repair the **buildings** and **we** choose not to reinstate **buildings** lost destroyed or damaged as set out in the Reinstatement basis of settlement above **we** will pay the reduction in the market value of the **buildings** immediately following **damage** solely as a result of the **damage** but not exceeding the amount which would have been payable had the **buildings** been rebuilt or repaired and in no case shall the total amount recoverable under any item exceed its sum insured

Loss of market value and capital sums payable

If rebuilding or repair of the **buildings** is frustrated completely by the public authority responsible for granting planning permission **we** will pay the loss of market value and the capital sums payable being

- (a) the reduction in market value of **your** interest in the land and buildings solely as a result of **damage** immediately following agreement by **us** that such frustration is unavoidable plus
- (b) any capital sums legally payable by **you** to any lessees under the terms of the lease or otherwise in consequence of such frustration

Provided that

- (i) **you** have made every effort to regain the original planning consent
- (ii) **you** shall not have nor had any reason to be aware of stipulations which could result in the **buildings** not being repaired or restored in their original form
- (iii) the total amount recoverable under any item of the policy shall not exceed its sum insured

Cost of construction and loss of market value and capital sums payable

If rebuilding or repair of the **buildings** is frustrated by the said public authority's refusal to allow a building of the same size and/or use **we** will pay the cost of construction and the loss of market value and the capital sums payable being

- (a) the cost of constructing a building to the extent permitted by the public authority plus
- (b) the reduction in market value of **your** interest in the land and **buildings** solely as a result of **damage** immediately following **our** agreement that such frustration is unavoidable plus
- (c) any capital sums legally payable by **you** to any lessees under the terms of the lease or otherwise in consequence of such frustration

Provided that

- (i) **you** have made every effort to regain the original planning consent
- (ii) **you** shall not have nor had any reason to be aware of stipulations which could result in the **buildings** being repaired or restored in their original form
- (iii) the total amount recoverable under any item of the policy shall not exceed its sum insured

Where any payment **we** make includes any capital sum for loss of market value the amount payable shall be reduced to take account of any compensation payable or allowance made to **you**

Memoranda

1 Reinstatement of property

We shall not be bound to reinstate exactly or completely any property that is the subject of a claim but only as circumstances permit and in reasonably sufficient manner

We shall not pay out in respect of any one of the items insured more than the sum insured

2 Day One Basis - non adjustable

This applies if a Day One figure is shown against an item in the schedule

- 1 **You** have agreed the declared value incorporated in each item to which this extension applies and the premium has been calculated accordingly

“Declared value” means **your** assessment of the cost of reinstatement of the property insured (as defined in the Reinstatement basis of settlement) at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with insofar as

the insurance by the item provides due allowance for

- (a) the additional cost of reinstatement to comply with the stipulations defined in the European Union and Public Authorities (including undamaged portions) extension
- (b) professional fees
- (c) debris removal costs

- 2 At the inception of each period of insurance **you** shall notify **us** of the declared value of the property insured by each of the said item(s)

In the absence of such declaration the last amount declared by **you** (adjusted to reflect index linking) shall be taken as the declared value for the ensuing period of insurance

- 3 In respect of each item to which this extension applies the following replaces Special conditions 1 and 4 of the Reinstatement basis of settlement

(1) Each item insured under this memorandum is declared to be separately subject to the following condition of underinsurance namely If at the time of **damage** the declared value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph 1 of the Day One memorandum) at the inception of the period of insurance then **our** liability shall be limited to that proportion thereof which the declared value bears to such cost of reinstatement

(4) Where by reason of any of the above Special conditions no payment is to be made beyond the amount which would have been payable under the policy if this memorandum had not been incorporated the rights and liabilities of the **Company** and the **Insured** in respect of the **damage**

shall be subject to the terms of the policy including any condition of underinsurance as if this memorandum had not been incorporated except that the sums insured shall be increased in proportion with the additional amount charged in respect of this memorandum

3 Index-linking

Unless the Day One Basis - non adjustable memorandum applies the sum insured by each **item insured** (but not extension limits) under this section will be adjusted in accordance with suitable indices selected by **us**

The annual renewal premium will be amended accordingly

In the event of **damage** index-linking will continue from the date of **damage** until the resulting claim is settled but **we** will not pay for increased costs which arise due to unnecessary delay on **your** part

4 Underinsurance

Unless otherwise shown in the schedule or elsewhere in this policy the sum insured by each **item insured** is subject to the following condition of underinsurance

If the property insured by any item of this section shall at the commencement of any **damage** to such property be collectively of greater value than such sum insured as adjusted for index-linking **you** will be considered as being **your** own insurer for the difference and shall bear a rateable proportion of the loss accordingly

5 Other interests

The interest in the insurance by this section of the various mortgagees lessors and freeholders of the property is noted

6 Subrogation waiver

In the event of a claim **we** shall not enforce any rights against

- (a) any company being parent of or subsidiary to the **insured**
- (b) any company which is a subsidiary of a parent company of which the **insured** are themselves a subsidiary

in each case within the meaning of the Companies Act prevailing at the time of **damage**

- (c) any tenant of the **premises** irrespective of whether they contribute to the insurance premium or not provided that the **damage** did not result from a criminal fraudulent or malicious act of the tenant

7 Non-invalidation

The cover by this section shall not be invalidated by any act omission or alteration whereby the risk of **damage** is increased unknown to **you** or beyond **your** control

Provided that on becoming aware of this **you** give notice to **us** as soon as is reasonably possible and pay an additional premium if required

Extensions

The insurance cover provided by this section is extended to include the following

Unless specifically stated otherwise these extensions do not increase **our** liability as stated in the Cover paragraph to this section

1 Reinstatement of sum insured

Not applicable to any limits in the extensions to this section

In consideration of **your** agreement to pay such additional premium as may be required **we** will automatically reinstate the sum insured in full after **damage** has occurred

provided that **we** have not given **you** notice within 30 days of **you** reporting the **damage** to **us** that **we** will not reinstate the sum insured

2 Reinstatement to match

Where **buildings** have suffered **damage** **you** may replace repair or restore the property with equivalent property which employs current technology and replacement repair or restoration of such property shall not for the purposes of this policy be regarded as being better or more extensive than when new

This policy further extends to include the replacement or modification of undamaged property insofar as it is necessary to adapt it to operate in conjunction with that property which has been replaced repaired or restored

Limit

£250,000 any one period of insurance

3 Fees

Architects' surveyors' consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement of the property insured consequent upon its **damage** by an **insured event** but not for preparing any claim it being understood that the amount payable for such **damage** and fees shall not exceed in the aggregate the sum insured by each item

4 Removal of debris

(a) Costs and expenses necessarily incurred by **you** with **our** consent in

- (i) removing debris
- (ii) dismantling and/or demolishing
- (iii) shoring up or propping

of the portion or portions of the property insured by the said items destroyed or damaged by any **insured event** it being understood that the amount payable for such **damage** and costs incurred under (i) (ii) and (iii) shall not exceed in the aggregate the sum insured by each item

- (b) Irrecoverable costs and expenses necessarily incurred by **you** with **our** consent in removing the debris of contents (not belonging to **you**) destroyed or damaged by an **insured event** occurring at the **premises** it being understood that the amount payable for such costs and expenses shall not exceed the buildings sum insured to which such contents relate
- (c) Costs and expenses necessarily incurred by **you** with **our** consent in removing fallen trees within the grounds of the **premises**
Provided that
 - (1) the trees have fallen as a result of an **insured event** and
 - (2) the buildings of the **premises** are damaged by the same **insured event** occurring at the same time and a claim for this **damage** has been admitted by **us**

We will not pay for any costs or expenses

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- (ii) arising from pollution or contamination of property not insured by this policy

5 Loss minimisation expenses

Costs and expenses necessarily and reasonably incurred by **you** or on **your** behalf to prevent or minimise actual or imminent **damage** at the **premises** provided such costs are

- (a) directly related to **damage** which is likely to occur in the immediate future unless urgent preventative action is taken
- (b) not more specifically insured elsewhere

Limit

£25,000 per **premises** any one period of insurance

6 Sale of the building

The interest of the purchaser in the insurance by this section for the period from the written offer and acceptance or exchange of contracts until completion of the sale is noted

Provided that

- (a) the **buildings** are not insured elsewhere for the benefit of the purchaser
- (b) the purchaser complies with and is bound by the terms of the policy

7 European Union and Public Authorities (including undamaged portions)

The additional cost of reinstatement of the destroyed or damaged property and undamaged portions as may be incurred solely by reason of the necessity to comply with the stipulations of

- (1) European Union legislation or
- (2) building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority

(hereinafter referred to as "the Stipulations")

Excluding

- (a) the cost incurred in complying with the Stipulations
 - (i) in respect of **damage** occurring prior to the granting of this extension
 - (ii) in respect of **damage** excluded or otherwise not insured by this policy
 - (iii) under which notice has been served upon **you** prior to the happening of the **damage**
 - (iv) for which there is an existing requirement which has to be implemented within a given period

- (b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- (c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner of the property by reason of compliance with the Stipulations

Special Conditions applicable to this extension

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the **damage** or within such further time as **we** may allow (during the said 12 months) and may be carried out upon another site (if the Stipulations so necessitate) subject to **our** liability under this extension not being increased
- 2 If **our** liability under the policy apart from this extension shall be reduced by the application of any of the terms and conditions of the policy then **our** liability under this extension (in respect of any such item) shall be reduced in like proportion
- 3 The total amount recoverable under any item of the policy under this extension shall not exceed
 - (a) 15% of its sum insured or
 - (b) where the sum insured by the item applies to property at more than one premises 15% of the total amount for which **we** would have been liable had the property insured by the item at the **premises** where **damage** has occurred been wholly destroyed

- 4 The total amount recoverable under any item of the policy shall not exceed its sum insured
- 5 All the terms of this policy except insofar as they may be expressly varied shall apply as if they had been incorporated herein

8 Capital additions

The cover provided by this extension increases the sums insured that apply but only to the extent stated

Under the Buildings and Contents of common parts items

- (a) alterations and additions to the property insured but not in respect of any appreciation in value
- (b) newly acquired property so far as it is not otherwise insured anywhere in the **geographical limits**

up to a limit of £5,000,000 in respect of any one property and £2,000,000 in respect of any **unoccupied** property

Provided that **you** undertake to give details of such extension of cover as soon as practicable (at no later than six-monthly intervals) and to effect specific insurance and pay any additional premium that is required from inception of the cover

9 Inadvertent omission to insure

Premises in the **geographical limits** which **you** own or which **you** are responsible to insure which **you** have inadvertently failed to insure

- a) under this or any other policy
- b) against all the **insured events** insured by this policy but cover is restricted to those uninsured **insured events**

Provided that

- (a) as soon as **you** become aware of
 - (i) premises not insured
 - (ii) any premises not insured for all the **insured events** insured by this policy

you shall arrange insurance from the date on which **your** responsibility attached and pay the appropriate additional premium

- (b) this extension shall not apply to any premises covered under the Capital additions extension of this section
- (c) **our** liability any one claim shall not exceed £5,000,000 any one premises and £2,000,000 any one **unoccupied** premises

10 Third Party failure to insure

Any premises within the **geographical limits** owned or leased by **you** which because of lease requirements are required to be insured by another party and where that party has

- (a) failed to insure against all the insurable events in this policy or
- (b) failed to insure for a sufficient amount to provide for reinstatement of the buildings and/or for loss of rent as specified in the lease or
- (c) invalidated the policy or claim

Provided that

- (1) as soon as **you** become aware of
 - (i) any premises not insured for all the insurable events in this policy **you** shall arrange insurance for such uninsured events
 - (ii) any premises not insured for a sufficient amount to provide for reinstatement of the buildings and/or loss of rent as specified in the lease **you** shall arrange insurance for the reinstatement of the buildings and/or loss of rent as specified
 - (iii) any facts or circumstances that might invalidate the policy or a claim **you** shall notify **us** accordingly
- (2) this extension shall not apply to any premises covered under the Capital additions and Inadvertent omission to insure extensions and for premises under (a) above shall apply only for the insurable events not insured by the third party's policy

- (3) there shall be in force at the time of damage a valid and enforceable lease requiring the property to be insured against some or all of this policy's insurable events
- (4) **you** have procedures in place to ensure that the third party effects and maintains adequate insurance and wherever possible **your** interest is noted and protected by a non- invalidation clause and lapse or cancellation notification condition
- (5) the insurance under this provision shall be subject to all the terms conditions and exclusions of this policy with the exception of the Subrogation waiver
- (6) **our** liability any one claim shall not exceed £5,000,000 any one premises and £2,000,000 any one **unoccupied** premises but in no case shall **our** liability exceed
 - (i) the difference between the amount payable under any insurance effected by the third party or any other insurance on the premises and the total cost of reinstatement and loss of rent as provided by this policy or
 - (ii) the value of **your** interest in the premises
whichever is less

11 Privity of contract

We will indemnify **you** in respect of all such sums as **you** become legally liable to pay following **damage** caused by an **insured event** and pay as indemnity to tenants in respect of repair or reinstatement of **premises** previously owned but which are no longer **your** property and where the current owner has failed to maintain adequate insurance cover subject to the terms and conditions of this policy

Excluding contribution in respect of any more particular insurance effected by any succeeding owner or tenant or sub-tenant

It is a **condition precedent to liability** in respect of this cover that **you** must take all reasonable steps to obtain release from **your** liabilities under the covenants to insure such property on its disposal

Limit

£1,000,000 any one period of insurance

12 Value Added Tax

For any **buildings** item **we** will pay the Value Added Tax payable by **you** which **you** are not subsequently able to recover provided that

- 1
 - (a) **your** liability for such tax arises solely from the rebuilding or restoration of the **buildings** following **damage**
 - (b) **we** have paid or agreed to pay for such **damage**
 - (c) if the payment **we** make for the rebuilding or restoration is less than the actual cost of rebuilding or restoration **we** will only pay the same proportion of the Value Added Tax applicable
- 2 **your** liability for such tax does not arise from the replacement buildings having a greater floor area than or being in a better condition or more extensive than the damaged **buildings**
- 3 if the **buildings** are rebuilt on another site following **damage we** will not pay more Value Added Tax than **we** would have done had the rebuilding been completed at the original site
- 4 **we** will not pay any amounts in relation to penalties imposed upon **you** for late or non-payment of Value Added Tax
- 5 for the purposes of any underinsurance penalty rebuilding costs shall be exclusive of Value Added Tax

6 **our** liability may exceed the sum insured by an item or in the whole the total sum insured where such additional amount is solely for Value Added Tax due

13 Emergency services damage to the grounds

Damage caused by the emergency services at any part of the **premises** or to insured property or the grounds for which **you** are responsible excluding police raids

14 Extinguisher and alarm re-setting expenses

The reasonable costs incurred by **you** in refilling fire extinguishing appliances replacing sprinkler heads and resetting fire or intruder alarm systems solely in consequence of their activation following an **insured event**

15 Sprinkler upgrade costs

The additional costs incurred in upgrading an automatic sprinkler installation to the current Loss Prevention Council Rules (only when the upgrade is imposed upon **you** by **us**) following **damage** to the **buildings** provided that at the time of **damage** the installation conformed to the Rules for Automatic Sprinkler Installations as issued by the Loss Prevention Council and current at the time of installation but did not conform to subsequent amendments to those Rules

16 Clearing of drains

The reasonable costs incurred by **you** for clearing or repairing drains gutters sewers and the like for which **you** are responsible incurred as a direct result of **damage** caused by an **insured event**

Limit

£50,000 any one claim

17 Underground pipes and cables

Accidental **damage** to underground pipes and cables for which **you** are responsible

18 Trace and access

The costs and expenses reasonably incurred by **you** with **our** consent in locating the source of a leakage of oil water or gas at the **premises** and in subsequent repair of **damage** caused by locating the source

Limit

£50,000 any one claim

19 Contract works

Explanatory notes (not forming part of the policy)

- 1 This extension only applies if the buildings are insured under the section against all of the specified perils as defined below
- 2 If you have decided not to include the Terrorism section under your policy then the full insurance requirements of the building contract will not be met - to help we can extend your insurance to include Terrorism or you can ask your architect to reduce the requirements of the building contract with the agreement of all parties
- 3 Please remember that if your policy is not renewed with us then there will be no cover for the building works if they should continue beyond the period of cover

The cover provided by this extension increases the sums insured that apply but only to the extent stated

Definitions specific to this extension

All risks

means all of the insured events under this section of the policy inclusive of accidental damage

Contractor(s)

shall have the meaning attached to them in the **insured contract**

Contract works

means the permanent works and the temporary works executed in performance of the **insured contract**

Site materials

means all unfixed materials and goods delivered to placed on or adjacent to the **contract works** and intended for incorporation within the **contract works**

Insured contract

Any JCT minor standard or intermediate building contract in which the employer is required to take out a joint names policy provided that the value of the contract does not exceed £250,000

Also any similar contract with **our** agreement

In the case of separate contracts relating to one project at the **premises** the limit of £250,000 referred to above relates to the total value of all the contracts involved

Specified perils

means fire lightning explosion storm tempest flood escape of water from any water tanks apparatus or pipes aircraft and other aerial devices or articles dropped from them riot civil commotion and earthquake

Cover

In respect of repairs alterations and/or extensions to existing building structures this section extends to cover **your** insurance obligations as employer for **specified perils** or **all risks** as required by the **insured contract**

For the purposes of this extension and for the period of the **insured contract** the insurance for

- (a) the existing structures and any contents for which **you** are responsible
- (b) the **contract works** and **site materials**

is considered to be in the joint names of **you** and the contractor but only in so far as this is required under the terms of the **insured contract**

Amount payable

We will indemnify **you** (by payment or at **our** option by repair reinstatement or replacement) subject to **our** liability inclusive of all professional fees and VAT where applicable not exceeding

- (a) for existing structures and contents for which **you** are responsible the sums insured by the relevant Building and Contents of common parts items at the time of the **damage**
- (b) £250,000 in respect of the **contract works** and **site materials**

Notwithstanding anything contained within the Alteration of risk General Condition the erection of scaffolding in connection with the cover provided under this extension is deemed not to constitute an alteration in risk

Off-site storage

Cover extends to include materials or goods designated to be included in the **contract works** whilst temporarily held in store away from the contract site but not while they are being worked upon

Limit

£7,500 any one storage site

Exclusions applicable to this extension

We shall not be liable for **damage** to

- (a) deeds bonds bills of exchange promissory notes cash bank notes cheques securities for money or stamps

- (b) any craft designed to travel in on or through water air or space
- (c) any mechanical plant and equipment
- (d) any property (including that being altered or repaired) which already existed at the time of the commencement of the **insured contract** other than **site materials**
- (e) the permanent works or any part thereof in respect of which a certificate of completion has been issued by or to the **Insured** or which has been completed and handed over to or taken into use with the permission of the **Insured** for a purpose other than for the performance of the **insured contract**
- (f) penalties under the **insured contract** for delay or non-completion or consequential loss of any nature except as specifically provided for under this extension

20 Landscaping costs

The necessary and reasonable costs to restore landscaped gardens or grounds at the **premises** following **damage** to its appearance when first planted excluding any cost arising from the failure of seed to germinate or trees plants or turf to become established

Limit
£100,000 any one period of insurance

21 Property in the open

Damage to garden furniture ornaments statues gardening equipment and signage in the grounds of the **premises** unless more specifically insured

Limit
£15,000 any one claim

22 Planning (Listed Buildings and Conservation Areas) Act 1990

The cover provided by this extension increases the sums insured that apply but only to the extent stated

The cost of meeting local authority conditions made under the Planning (Listed Buildings and Conservation Areas) Act 1990 and amending legislation (or equivalent legislation in Scotland and Northern Ireland) following **damage** by any of the **insured events** should these costs exceed the cover provided within the **buildings** sum insured

The maximum **we** will pay under this extension is 20% of the **buildings** sum insured

23 Archaeological costs

The on-site costs of **archaeological rescue work** (including the recording of standing and collapsed fabric and damaged floor surfaces but not the excavation of below ground deposits) necessarily and reasonably incurred with **our** consent as a result of **damage** to the **buildings**

Excluding

- (i) the costs of any **archaeological research work** which may be enabled or facilitated as a result of **damage** but which is not a necessary part of the process of repair or rebuilding
- (ii) the costs of analysis of data subsequent to **archaeological rescue work** (except in so far as such costs are a necessary and integral part of the process of repair or rebuilding)
- (iii) the costs of conservation or scientific analysis of materials or objects retrieved in the course of an archaeological exercise

Limit
£250,000 any one claim

Definitions specific to this extension

Archaeological rescue work

means any archaeological exercise concerned with the recording of information which would otherwise be lost or in danger of being lost

Archaeological research work

means any other archaeological exercise

24 Damage to the buildings by theft

only applicable if the insurable event of Theft or attempted theft is operative

The insurance extends to include

- (a) repairs to the **buildings** following theft or attempted theft of the fabric of the **buildings** including external metal up to £15,000 per **premises** in any one period of insurance
- (b) **damage** to the **buildings** caused by theft or attempted theft of **contents of common parts** for an amount not exceeding £25,000 per **premises** in any one period of insurance
- (c) **damage** to property insured directly caused as a result of the entry of rainwater following the theft or attempted theft of the fabric of the **buildings** including external metal up to £25,000 per **premises** in any one period of insurance

This extension does not apply when scaffolding is erected at the **premises** unless **we** have agreed in writing to continue cover

25 Loss of oil gas or water

- (a) Loss of oil (other than covered by (c) below) gas or metered water from the water or heating system after **damage** by an **insured event** to that system
- (b) The cost of replacing liquid petroleum gas or oil following accidental discharge from the storage container at the **premises**

- (c) Theft of oil from any storage tank used for the heating system at the **premises** provided theft is an **insured event** under this policy
- (d) The cost of decontaminating the grounds of the **premises** to a depth no greater than one metre following accidental discharge of oil from any oil fired heating installation or storage tank

The most **we** will pay under (a) or (b) or (c) is £5,000 any one claim

The most **we** will pay under (d) is £25,000 any one claim

26 Unauthorised use of utilities

The cost of metered water oil electricity or gas for which **you** are legally responsible arising from its unauthorised use by persons taking or keeping possession or occupying the **buildings** without **your** authority provided that the **buildings** are inspected weekly by a responsible person on **your** behalf and all practicable steps are taken to terminate such unauthorised use as soon as it is discovered

Limit

£25,000 per **premises** any one period of insurance

27 Private residences (Temporary accommodation)

The cover provided by this extension increases the sums insured that apply but only to the extent stated

If any private dwelling house or private flat (described as such in the schedule) cannot be lived in following **damage** insured by this section (or in the case of a private flat if the resident is denied access to it by an **insured event** elsewhere within the building) **we** will pay for the reasonable and necessary additional costs that **you** are liable for in respect of the following

- (a) residents' temporary accommodation and storage of furniture

(b) kennel accommodation for the residents' domestic cat(s) and dog(s)

(c) travelling expenses

until the private dwelling house or private flat is fit to live in again or until access is restored

Limit

20% of the sum insured on the building in respect of private dwelling houses

20% of the sum produced by dividing the buildings sum insured by the number of flats in respect of each private flat

28 Temporary removal

Any parts of the **buildings** and **contents of common parts** are covered while temporarily removed for cleaning renovation repair or other similar purpose elsewhere on the **premises** or to any other premises and in transit between such locations in the **geographical limits**

29 Spontaneous heating

Damage to coal coke or wood blocks by its own spontaneous fermentation heating or combustion

30 Fly tipping

Costs and expenses necessarily and reasonably incurred by **you** in clearing treating and removing anything illegally or maliciously deposited at the **premises**

This cover will not apply in respect of any **unoccupied premises**

Limit

£25,000 any one period of insurance

31 Loss of keys

The reasonable cost necessarily incurred by **you** to replace locks at the **premises** following

- (a) accidental loss of keys
- (b) damage to keys or the **premises**
- (c) theft of keys from the **premises** or from **your** home or the home of any

principal director partner or employee authorised to hold such keys

Limit

£10,000 any one claim

32 Trees

The costs of felling lopping or removing trees which represent an immediate threat to the safety of life or **damage** to the **buildings**

Limit

£2,500 per **premises** any one period of insurance

33 Removal of insect nests

We will pay the costs incurred by **you** in removing wasp bee or hornet nests from the **buildings**

Limit

£1,000 any one claim

Exclusions

We shall not be liable in respect of

- 1 **damage** caused by pollution or contamination unless resulting from a sudden identifiable unintended and unexpected cause which
 - (a) occurs in its entirety at a specific moment in time and place during any one period of insurance
 - (b) is not otherwise excluded
- 2 consequential loss of any kind
- 3 Definitions specific to this exclusion

Data

means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

Failure of a system

means the complete or partial failure or inability whether in terms of availability

functionality and/or performance or otherwise of a **system** whether or not owned by **you** to operate at any time as desired as specified or as required in the circumstances of **your** business activities

Microchip(s)

means a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontroller

System(s)

shall include computers other computing and electronic equipment linked to a computer hardware electronic data processing equipment **microchips** and anything which relies on a **microchip** for any part of its operation and includes for the avoidance of doubt any computer installation

Virus

means programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a **system** transmitted between **systems** by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self-replication or not

damage to

- (a) **data** which shall include but shall not be limited to
 - (i) **damage** to or corruption of **data** whether in whole or in part
 - (ii) unauthorised appropriation of use of access to or modification of **data**

- (iii) unauthorised transmission of **data** to any third parties
 - (iv) **damage** arising out of any misinterpretation use or misuse of **data**
 - (v) **damage** arising out of any operator error in respect of **data**
- (b) any items insured arising directly or indirectly from
 - (i) the transmission or impact of any **virus**
 - (ii) unauthorised access to a **system**
 - (iii) interruption of or interference with electronic means of communication used in the conduct of **your business** including but not limited to any diminution in the performance of any website or electronic means of communication
 - (iv) **failure of a system**
 - (v) anything described in (a) above

but in respect of (b) (i) (b) (ii) (b) (iii) and (b) (iv) this shall not exclude subsequent **damage** or loss resulting from subsequent **damage** which itself results from a cause not otherwise excluded provided that such **damage** does not arise by reason of any malicious act or omission

- 4 **damage** to any electrical plant or apparatus caused by self-ignition but this exclusion shall apply only to that part of the electrical plant or apparatus in which self-ignition occurs

2 Equipment breakdown

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Accident(s)

means

- (a) electrical or mechanical **breakdown** including rupture or bursting caused by centrifugal force
- (b) artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires
- (c) **explosion** or **collapse** of steam boilers steam pipes steam engines or steam turbines owned or leased by **you** or operated under **your** control
- (d) **damage** to **covered equipment** operating under steam or fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
- (e) **damage** to hot water boilers or other water heating equipment and their associated oil or water storage tanks caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment

Additional expenses

means expenses incurred to clean up or dispose of the **covered equipment** resulting from contamination by a **hazardous substance**

Breakdown

means

- (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

Collapse

means 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 internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents)

Computer equipment

means equipment that is electronic computer or other data processing equipment including **media** software and peripherals used in conjunction with such equipment belonging to **you** or for which **you** are responsible

Covered equipment

means equipment owned by **you** or for which **you** are responsible built to operate under vacuum or pressure (other than weight of contents) or used for the generation transmission or utilisation of energy including but not limited to

- (a) heating systems and hot water heaters
- (b) air circulation ventilation air conditioning and non-process refrigeration systems
- (c) electrical panels emergency generators and electrical distribution systems
- (d) security alarm systems
- (e) lifts and escalators

- (f) office equipment including telephone systems fax machines copiers and printers
- (g) retail equipment bar-code scanners credit and debit card payment systems and cash registers
- (h) forklift trucks at the **premises**
- (i) **computer equipment**

Excluding

- (i) any structure foundation masonry brickwork cabinet compartment or air supported structure or building
- (ii) any insulating or refractory material
- (iii) any sewer piping underground vessels or piping or piping forming a part of a sprinkler system
- (iv) any water piping other than boiler feedwater piping boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system
- (v) any vehicle or mobile lifting equipment (other than forklift trucks at the **premises**) or aircraft or floating vessel including any equipment mounted on such vehicle or mobile lifting equipment or aircraft or floating vessel
- (vi) any dragline excavation or construction plant or equipment
- (vii) any tool die cutting edge crushing surface trailing cable non-metallic lining driving belt or band or any other part of **covered equipment** which is exchangeable and requires periodic renewal
This exclusion is limited to **damage** involving those parts themselves and shall not apply to other resultant **damage**
- (viii) any equipment manufactured by **you** for sale
- (ix) kitchen and food preparation equipment laundry and cleaning equipment and audio-visual equipment whilst in a private dwelling or private dwelling quarters
- (x) fixed aerials satellite dishes wind turbines and solar panels

Explosion

means the sudden and violent rending of the **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

Hazardous substance

means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency

Media

means all forms of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment

Cover

We will indemnify **you** (by payment up to the value of **covered equipment** at the time of the **damage** or at **our** option by repair reinstatement or replacement) in respect of **damage** to **covered equipment** at the **premises** by any **accident** happening during the period of insurance

Our liability in any one period of insurance shall not exceed the sum insured under the appropriate section of material damage insurance provided by this policy for each item of **covered equipment** nor in all the total sum insured subject to the maximum liability below

Maximum liability

The total amount **we** will pay in respect of this section shall not exceed £5,000,000 in any one period of insurance subject to a limit of £250,000 any one period of insurance for **computer equipment**

If an initial **accident** causes other **accidents** all will be considered one **accident**

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

Extensions

The insurance by this section is extended to include the following

These extensions do not increase the limits or sums insured that apply

1 Computer equipment

Damage caused by or resulting from an **accident** to **computer equipment** occurring whilst anywhere in the European Union but only whilst in the custody or control of **you** or **your** employee

Limit
£250,000 any one period of insurance

2 Reinstatement of data

We will pay the costs **you** incur in reinstating data that is lost or damaged as a consequence of an **accident** to **computer equipment**

Providing that

- (a) **our** liability is limited solely to the cost of reinstating data to **media**
- (b) **we** shall not be liable for any losses discovered later than 180 days after the loss was initiated
- (c) **we** shall not be liable for loss or damage to software
- (d) **we** shall not be liable under this extension for costs more specifically described under the Increased cost of working extension

Special condition – Back-up records

It is a **condition precedent to liability** that **you** shall maintain a minimum of 2 generations of verified back-up computer records taken at intervals no less frequently than 48 hours one copy as a minimum

being held off site and take all reasonable precautions to store and maintain records in accordance with the makers recommendations

Limit
£25,000 any one period of insurance

3 Increased cost of working

We will pay costs necessarily and reasonably incurred by **you** for the sole purpose of avoiding or diminishing interruption or interference to **your** computer operations as a consequence of an **accident** to **computer equipment**

Limit
£25,000 any one period of insurance

4 Rental income

If the Rental income section of this policy is operative **we** will pay to **you** in respect of each item in the Rental income schedule the loss occurring during the indemnity period (as defined in the Rental income section) following an **accident** to **covered equipment** that results in the **business** being interrupted or interfered with

Our liability shall not exceed the sum insured for each item nor in all the total sum insured and in any event **our** maximum liability shall not exceed £30,000 any one period of insurance

5 Hazardous substances

Damage to **covered equipment** at the **premises** caused by contamination by a **hazardous substance** including any **additional expenses** incurred and if the Rental income section of this policy is operative loss occurring during the indemnity period (as defined in the Rental income section) in consequence of the **business** carried on by **you** at the **premises** being interrupted or interfered with

Limit
£10,000 any one period of insurance

6 Expediting expenses

Reasonable costs necessarily incurred by **you** to make temporary repairs and expedite permanent repairs or permanent replacement of damaged **covered equipment**

Limit

£20,000 any one period of insurance

7 European Union and Public Authorities

(Including undamaged portions)

If in force the European Union and Public Authorities extension of the Property damage section of this policy applies to **covered equipment** damaged as a result of an **accident**

Limit

£15,000 any one period of insurance

8 Loss avoidance measures

Reasonable costs necessarily incurred by **you** to take exceptional measures to prevent or mitigate impending **damage** to **covered equipment** as a result of an **accident**

Provided that

- (a) **damage** would reasonably be expected if such measures were not implemented
- (b) **we** are satisfied that **damage** has been avoided or mitigated by means of the exceptional measures
- (c) the amount payable will be limited to the cost of **damage** which would have otherwise occurred
- (d) the terms conditions and exclusions of this section and the policy apply as if **damage** had occurred
- (e) if **damage** had occurred it would have resulted in a claim that would have been accepted by **us** under this section of the policy

Limit

£5,000 any one period of insurance

9 Damage to own surrounding property

We shall be liable for **damage** to property belonging to **you** or in **your** custody and control and for which **you** are responsible directly resulting from explosion or collapse of any steam boiler steam generator economiser superheater steam pipework or steam vessel

Limit

£1,000,000 any one **accident**

Memoranda

1 Reinstatement of property

We shall not be bound to reinstate exactly or completely any property that is the subject of a claim but only as circumstances permit and in reasonably sufficient manner

We shall not pay out in respect of any one of the items insured more than the sum insured

2 Reinstatement basis of settlement in the event of a claim

Applicable unless stated otherwise in the schedule

Subject to the following special conditions the basis upon which the amount payable in respect of **covered equipment** is to be calculated shall be the reinstatement of the **covered equipment** that is the subject of an **accident**

For this purpose 'reinstatement' means

- (a) the replacement of **covered equipment** that is the subject of an **accident** which provided **our** liability is not increased may be carried out
 - (i) in any manner suitable to **your** requirements
 - (ii) upon another site

- (b) the repair or restoration of **covered equipment** that is the subject of an **accident**

In the case of (a) or (b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special condition applicable to this memorandum

- 1 **Our** liability for the repair or restoration of **covered equipment** that is the subject of an **accident** shall not exceed the amount payable for replacement of the **covered equipment**
- 2 No payment beyond the amount which would have been payable in the absence of this memorandum shall be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement shall have been actually incurred
- 3 All the terms and conditions of the policy shall apply
 - (a) in respect of any claim payable under this memorandum except in so far as they are varied hereby
 - (b) where claims are payable as if this memorandum had not been incorporated

Exclusions

We shall not be liable in respect of

- (1) **damage** caused by or resulting from
 - (a) a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
 - (b) depletion deterioration corrosion erosion wear and tear or other gradually developing conditions
 But if **damage** from an **accident**

results **we** shall be liable for that resulting **damage**

- (c) mould fungus mildew or yeast
 - (d) the direct application of any tool or process during the course of repair maintenance inspection modification or overhaul
 - (e) installation erection dismantling re-siting transportation or removal of **covered equipment** other than re-siting transportation or removal under its own power whilst at its operating site
 - (f) accidental failure of the power supply
- (2) **damage to computer equipment** which is recoverable under a maintenance agreement warranty or guarantee
 - (3) in respect of the Rental income extension any delay in resuming operations resulting from the need to reconstruct or re-input data or programs on **media** nor for the costs incurred in so doing where the **Insured** has not fully complied with the Special Condition – Back-up records
 - (4) any liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency of **covered equipment**
 - (5) **damage** resulting from malicious persons riot civil commotion strikers locked-out workers or persons taking part in labour disturbances occurring in Northern Ireland
 - (6) any **damage** or loss directly or indirectly caused by or in consequence of the act or order of any lawfully constituted authority
 - (7) Definitions specific to this exclusion

Data

means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

Failure of a system

means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a **system** whether or not owned by **you** to operate at any time as desired as specified or as required in the circumstances of **your** business activities

Microchip(s)

means a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontroller

System(s)

shall include computers other computing and electronic equipment linked to a computer hardware electronic data processing equipment **microchips** and anything which relies on a **microchip** for any part of its operation and includes for the avoidance of doubt any computer installation

Virus

means programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a **system** transmitted between **systems** by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self-replication or not

damage to

- (a) **data** (other than as provided for under the Reinstatement of data extension) which shall include but shall not be limited to
- (i) **damage** to or corruption of **data** whether in whole or in part

- (ii) unauthorised appropriation of use of access to or modification of **data**
- (iii) unauthorised transmission of **data** to any third parties
- (iv) **damage** arising out of any misinterpretation use or misuse of **data**
- (v) **damage** arising out of any operator error in respect of **data**
- (b) any items insured arising directly or indirectly from
- (i) the transmission or impact of any **virus**
- (ii) unauthorised access to a **system**
- (iii) interruption of or interference with electronic means of communication used in the conduct of **your business** including but not limited to any diminution in the performance of any website or electronic means of communication
- (iv) **failure of a system**
- (v) anything described in (a) above
- but in respect of (b) (i) (b) (ii) (b) (iii) and (b) (iv) this shall not exclude subsequent **damage** or loss resulting from subsequent **damage** which itself results from a cause not otherwise excluded provided that such **damage** does not arise by reason of any malicious act or omission
- (8) **damage** cost or expense that is or can be insured elsewhere in this policy
- (9) **damage** caused by or resulting from the deliberate act of any person carried out with the intention to cause **damage**
- (10) **damage** to livestock plants or perishable stock

3 Rental income

The schedule will show if this section applies and the cover in force

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

For the purpose of these definitions any adjustments implemented in current cost accounting shall be disregarded

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Adjusted

means adjusted as necessary to provide for the trend of the **business** and any other circumstances affecting the **business** either before or after the **damage** or which would have affected the **business** had the **damage** not occurred so that the adjusted figures represent as near as possible the results which would have been obtained during the relative period after the **damage** had the **damage** not occurred

Annual rent receivable

means the actual annual rent prevailing at the commencement of the period of insurance or the estimated annual rent receivable during the period of insurance after allowance for rent reviews whichever is the greater

Computer equipment

means equipment that is electronic computer or other data processing equipment including all forms of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic

data processing equipment software and peripherals used in conjunction with such equipment belonging to **you** or for which **you** are responsible

Damage

means destruction or damage caused by any of the **insured events**

Indemnity period

means the period beginning with the occurrence of the **damage** and ending not later than the expiry of the maximum indemnity period during which the results of the **business** are affected as a result of the **damage**

Insured events

means unless stated otherwise in the schedule those events which are insured by the Property damage section

For the purpose of this section 'explosion' shall include explosion of any boiler or economiser on the **premises**

Rent receivable

means the amount of the rent and service charges received or receivable from the letting of the **premises**

Standard rent receivable

means the **rent receivable** during the period corresponding with the **indemnity period** in the 12 months immediately before the date of the **damage** proportionately increased where the maximum indemnity period exceeds 12 months **adjusted**

Cover

If any property used by **you** at the **premises** suffers **damage** during the period of insurance and as a result the **business** at the **premises** is interrupted or interfered with **we** will pay to **you** the following

For each item in the schedule the amount of loss as a result of the interruption or interference

Provided that

- (1) **our** liability shall not exceed the sum insured for each item nor in all the total sum insured
- (2) at the time of the **damage** there is insurance in force covering **your** interest in the property at the **premises** against **damage** and payment shall have been made or liability admitted under that insurance (but this proviso shall not apply if no payment is made solely due to an **excess**)

Amount payable

The amount payable is limited to

- (a) loss of **rent receivable** and
- (b) additional expenditure

occurring during the **indemnity period** and the amount payable as indemnity shall be

- (i) for loss of **rent receivable** the amount by which the **rent receivable** during the **indemnity period** shall as a result of the **damage** fall short of the **standard rent receivable**
- (ii) additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **rent receivable** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage** but not exceeding the amount of the reduction in **rent receivable** avoided less any sum saved during the **indemnity period** for such expenses of the **business** payable out of **rent receivable** which cease or are reduced as a result of the **damage**

Provided that

- (1) **our** maximum liability shall not exceed on each item of **rent receivable** 200% of the sum insured to take into account any rent reviews which would normally have taken place but for the occurrence of **damage** during the

indemnity period

- (2) if the sum insured is less than the **annual rent receivable** (or a proportionately increased multiple of it where the maximum indemnity period exceeds 12 months) the amount payable shall be proportionately reduced

In the absence of written notice by **you** or **us** to the contrary **our** liability shall not be reduced by the amount of any loss provided that **you** pay the appropriate additional premium for such automatic reinstatement of cover

Additional increase in cost of working

If the schedule shows that further additional increase in cost of working applies **we** will also pay such further additional expenditure for an amount not exceeding £25,000 beyond that recoverable under Amount payable paragraph (b) (ii) necessarily and reasonably incurred during the **indemnity period** in consequence of the **damage** for the purpose of avoiding or minimising the loss of **rent receivable**

Alternative trading clause

If during the **indemnity period** the **business** is conducted elsewhere than at the **premises** the money paid or payable to **you** for rent at such other premises will be taken into account in arriving at the **rent receivable** during the **indemnity period**

Professional accountants' charges

Any details contained in **your** business books which are requested by **us** for the purpose of dealing with **your** claim can be produced by **your** professional accountants and their report shall be accepted as evidence of these details

We will pay to **you** the reasonable charges payable by **you** to **your** professional accountants for producing these details or any other information requested by **us**

The sum of amount payable under this clause and the amount otherwise payable under this section shall not exceed the sum insured

Payments on account

Payments on account will be made during the **indemnity period**

Unoccupied or untenanted buildings

Where the **buildings** or any part of the **buildings** are **unoccupied** and are destroyed or damaged during the period of insurance by an **insured event our** maximum liability shall be the loss of estimated rental income during the period of the rebuilding or repair which amount shall be calculated based solely upon any tenancy agreement for such **buildings** in existence at the time of the **damage** occurring

Managing agents' charges

We will indemnify **you** for Managing agents' charges necessarily and reasonably incurred in connection with re-letting premises following insured loss under this section

Rent-free period

If there is a clause in the lease of the **premises** that allows a free rent period to the leaseholder then the definition of the **indemnity period** is amended to read as follows

Indemnity period

means the period beginning with the date on which but for the **damage** rent would have commenced to be received and ending not later than the expiry of the maximum indemnity period specified in the schedule during which the results of the **business** shall be affected in consequence of the **damage**

Break clauses

This insurance shall not be prejudiced by any insurance or causality break clause in a lease that enables a lessee to determine the lease in the event of **damage**

Buildings awaiting sale

If at the time of the **damage you** have contracted to sell **your** interest in the **buildings** or have accepted an offer in writing to purchase **your** interest in the **buildings** subject to contract and the sale is cancelled or delayed solely as a result of the **damage** provided that **you** make all reasonable efforts to complete the sale of the **buildings** as soon as practicable after the **damage you** may opt for the amount payable by **us** to be

- (1) during the period prior to the date upon which but for the **damage** the **buildings** would have been sold the loss of rent being the actual amount of the reduction of **rent receivable** by **you** solely as a result of the **damage**
- (2) during the period commencing with the date upon which but for the **damage** the **buildings** would have been sold and ending with the actual date of sale or with the expiry of the maximum indemnity period if earlier the loss of interest being
 - (a) the actual interest incurred on capital borrowed (solely to offset in whole or part the loss of use of the sale proceeds) for the purpose of financing the **business** the rate of interest not to be more than 4% above the London Interbank offered rate applying during the **indemnity period** and
 - (b) the investment interest lost to **you** on any balance of the sale proceeds (after deduction of any capital borrowed provided under (a))
 less any amount of rent receivable

the additional expenditure being

- (a) the expenditure necessarily and reasonably incurred solely as a result of the **damage** solely to avoid or minimise the loss payable under (1) or (2) above but not exceeding the amount of loss avoided by such expenditure

- (b) the additional legal fees and other expenditure incurred solely following cancellation or delay as a result of the **damage** but not exceeding the amount equivalent to the expenditure incurred immediately prior to the **damage**
- (c) the amount payable shall be adjusted to provide for any benefit **you** derive from cancellation of or delay in the sale so that it represents as nearly as may be practicable the actual loss **you** suffer
- (d) in the event of underinsurance the amount payable shall be adjusted in accordance with the underinsurance memoranda
- (ii) in respect of (b) any restriction of use of less than 4 hours
- (iii) any period when access to the **premises** or any premises occupied by **your** Managing agent was not prevented or hindered
- (iv) closure or restriction in the use of the **premises** due to the order or advice of the competent local authority as a result of an occurrence of an infectious disease (or the discovery of an organism resulting in or likely to result in the occurrence of an infectious disease) food poisoning defective drains or other sanitary arrangements or vermin or pests

provided that the maximum amount payable for any item of rent under this section is 200% of the sum insured stated in the schedule for such item before any adjustment for underinsurance

Extensions

This section is extended to cover loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** as a result of the following

Unless specifically stated otherwise these extensions do not increase **our** liability as stated in the Cover paragraph to this section

1 Prevention of access

Access to or use of the **premises** or any premises **occupied** by **your** Managing agents being prevented or hindered by

- (a) **damage** to neighbouring property by any of the **insured events**
- (b) any action of Government Police or Local Authority due to an emergency which could endanger human life or neighbouring property

Excluding

- (i) any loss covered under the Utilities extension

Our liability for any one occurrence shall not exceed the sum insured by the items or any limit of liability shown in the schedule

2 Utilities

Damage by any of the **insured events** at any

- (a) generating station or sub-station of **your** electricity supplier
- (b) land-based premises of **your** gas supplier or any directly linked natural gas producer
- (c) water works or pumping station of **your** water supplier
- (d) land-based premises of **your** telecommunications services provider

Our liability for any one occurrence shall not exceed the sum insured by the items or any limit of liability shown in the schedule

3 Managing agent's premises

The definition of **premises** is extended to include the premises of **your** Managing agents for any irrecoverable losses suffered by **you** resulting from **damage** at such premises

Limit

£50,000 or 20% of the **rent receivable** sum insured whichever is the less

4 Loss of investment income

Where following the operation of an **insured event we** are making payments for **rent receivable** and the payment **we** make to **you** is made later than the date upon which **you** would normally expect to receive such rent from the lessee **we** will pay the interest which **you** would have earned by placing the money in **your** normal deposit account on the earlier date

5 Reinstatement of data

We will pay the costs **you** incur in reinstating data that is lost or damaged as a consequence of **damage to computer equipment at your premises**

Providing that

- (a) **our** liability is limited solely to the cost of reinstating data to any form of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment
- (b) **we** shall not be liable for any losses discovered later than 180 days after the loss occurred
- (c) **we** shall not be liable for loss or damage to software
- (d) **we** shall not be liable under this extension for costs more specifically described under Computers - Increased Cost of Working extension

Special condition – Back-up records

It is a **condition precedent to liability** that **you** shall maintain a minimum of 2 generations of verified back-up computer records taken at intervals no less frequently than 48 hours one copy as a minimum being held off site and take all reasonable precautions to store and maintain records in accordance with the makers recommendations

Limit

£25,000 any one period of insurance

6 Computers - Increased Cost of Working

We will pay costs necessarily and reasonably incurred by **you** for the sole purpose of avoiding or diminishing interruption or interference to **your** computer operations as a consequence of **damage to computer equipment at your premises**

Limit

£25,000 any one period of insurance

7 Book debts

If following **damage to your** records at the **premises** by any of the **insured events** **you** are unable to trace outstanding debit balances owed to **you we** will indemnify **you** for such loss as follows

- (a) **we** will pay the difference between the total outstanding debit balances and the total of the amounts received or traced for such balances
- (b) **we** will pay additional expenditure incurred with **our** previous consent in tracing and establishing customers' debit balances after the **damage**
- (c) **we** will pay for reasonable professional accountants' charges necessarily incurred in providing any evidence required by **us** in support of a claim excluding loss arising from misfiling erasure distortion deliberate falsification of business records abnormal conditions of trade or from bad debts

Limit

£50,000 any one claim

Special condition

It is a **condition precedent to liability** under this extension that **you** keep a record of the total amount outstanding in customers' accounts as at the end of each month and within 30 days of the end of each month deposit this record in a building other than that in which the original records are kept

8 Specified disease murder food poisoning defective sanitation vermin

- (a) any occurrence of a **specified disease** at the **premises**
- (b) any discovery of an organism at the **premises** resulting in or likely to result in the occurrence of a **specified disease**
- (c) any injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided at the **premises**
- (d) any accident causing defects in drains or other sanitary arrangements at the **premises**
- (e) any discovery of vermin or pests at the **premises**

which causes restrictions in the use of the **premises** on the order or advice of the competent local authority

- (f) murder rape or suicide at the **premises**

Definition specific to this extension

Specified disease

means

Acute encephalitis
 Acute poliomyelitis
 Anthrax
 Cholera
 Diphtheria
 Dysentery
 Legionellosis
 Legionnaires disease
 Leprosy
 Leptospirosis
 Malaria
 Measles
 Meningitis
 Meningococcal septicaemia (without meningitis)
 Mumps
 Ophthalmia neonatorum
 Paratyphoid fever

Plague
 Rabies
 Relapsing fever
 Rubella
 Scarlet fever
 Smallpox
 Tetanus
 Tuberculosis
 Typhoid fever
 Typhus fever
 Viral haemorrhagic fever
 Viral hepatitis
 Whooping cough
 Yellow fever

Special conditions applicable to this extension

- (i) **We** shall not be liable under this extension for any costs incurred in the cleaning repair replacement recall or checking of property
- (ii) **We** shall only be liable for the loss arising at those **premises** which are directly affected by the occurrence discovery or accident
 In the event that the policy includes an extension which deems **damage** at other locations to be **damage** at the **premises** such extension shall not apply to this extension
- (iii) **Indemnity period** shall mean the period during which the results of the **business** shall be affected in consequence of the occurrence discovery or accident beginning with the date from which the restrictions on the **premises** are applied (or in the case of f) above with the date of occurrence) and ending not later than three months thereafter

Provided that **our** liability under this extension in respect of any one occurrence discovery or accident shall not exceed the lesser of £250,000 or 25% of the sum insured by the items

9 Unlawful occupancy

Access to or use of the **premises** being hindered or prevented due to the **premises** or property in the vicinity of the **premises** or any rights of way being unlawfully occupied by third parties

Excluding loss

- i) arising from any cause within **your** control
- ii) as a result of a dispute between any employer and employee or group of workers
- iii) to the **premises**
- iv) following any incident involving prevention or hindrance of access to or use of the **premises** for less than 12 hours duration

Limit

£25,000 any one period of insurance

Optional extension

The schedule will show if this extension applies

10 Loss of attraction

Damage to buildings or other property in the immediate vicinity of the **premises** which would have such an effect on the **business** at the **premises** that

- (a) an agreement to lease the **premises** or any part of the **premises** in course of negotiation or review is avoided or amended and the **rent receivable** by **you** is reduced
- (b) the turnover of any lessee's business is affected and **rent receivable** by **you** is reduced

Our liability for any one occurrence shall not exceed the sum insured by the items or any limit of liability shown in the schedule

4 Liabilities

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Act of terrorism

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

Asbestos

means asbestos asbestos fibres or any derivatives of asbestos including any product containing asbestos asbestos fibres or any derivatives of asbestos

Bodily injury

means bodily injury death disease or illness

Business

means as defined in the General Definitions including

- (a) the routine repair maintenance and decoration of the **premises**
- (b) private work undertaken with **your** consent by any **employee** for any director partner or **employee** of **yours**

but this does not include any work undertaken **offshore**

Data

means information represented or stored electronically including but not limited to

code or series of instructions operating systems software programs and firmware

Employed person

means

- (a) any **employee**
- (b) any person supplied to or hired or borrowed by **you** or on **your** behalf or any work experience student or youth training scheme participant while under **your** direct control and supervision

Employee(s)

means any person under a contract of service or apprenticeship with **you**

Event(s)

means one occurrence or series of occurrences arising from or attributable to one source or original cause

Injury

means **bodily injury** wrongful arrest or false imprisonment

Legal costs

means

- (a) claimant's costs and expenses recoverable from **you** in respect of any claim which is the subject matter of indemnity under this policy
- (b) (i) the costs of legal representation at
 - (1) any coroner's inquest or inquiry in respect of any death
 - (2) proceedings in any court arising out of any alleged breach of statutory duty which may be the subject of indemnity under this section of the policy
- (ii) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under this section of the policy incurred with **our** prior written consent

Offshore

means embarkation onto a vessel or aircraft for conveyance to an offshore rig platform or service or accommodation vessel until disembarkation from the conveyance onto land upon return from such offshore rig platform or service or accommodation vessel

Pollution or contamination

means **injury** or **damage** directly or indirectly caused by or arising out of pollution or contamination of buildings or other structures or of water land or the atmosphere

Principal

means any party (other than a director trustee partner or **employee** of **yours**) on whose behalf **you** are undertaking work (excluding the sale or supply of **products**) in connection with the **business**

Products

means goods (including containers and packaging) not in **your** custody or control sold supplied installed erected serviced repaired altered or treated by **you** in connection with the **business**

Any error in the sale supply or presentation of such goods is included in this definition

Property

means material property but this does not include **data**

You/your/yours

means the **Insured** named in the schedule

Unless **we** specifically state otherwise **we** will also indemnify

- (a) **your** personal representatives in respect of legal liability incurred by **you**
- (b) at **your** request
 - (i) any **principal**
 - (ii) any director trustee partner or **employed person** of **yours**

in respect of liability for which **you** would have been entitled to indemnity had the claim been made against **you**

- (c) any officer or member of **your** canteen social sports and welfare facilities and fire first aid ambulance and security services in their individual capacities as such
- (d) any director trustee partner or **employee** of **yours** in respect of private work carried out with **your** prior consent by an **employed person** for

such director trustee partner or **employee**

We will not provide an indemnity to any medical or dental practitioner in respect of medical services provided

Cover 1 – Employers' liability

This insurance is provided on a 'Costs Inclusive' basis

This means that **legal costs** are included within the limit of indemnity specified in the schedule

Cover

We will indemnify **you** against **your** legal liability to pay damages and **legal costs** arising out of **bodily injury** to an **employed person** caused during the period of insurance

- (a) within the **geographical limits**
- or
- (b) while temporarily outside these territories

in connection with the **business**

The total amount **we** will pay in respect of

- (a) any one **event** which is directly or indirectly caused by results from or is in connection with any **act of terrorism** shall not exceed £5,000,000

If **we** allege the **bodily injury** has resulted from any **act of terrorism** the burden of proving the contrary shall be upon **you**

- (b) any other **event** shall not exceed the limit of indemnity shown in the schedule

This insurance complies with the provisions of any law enacted in the **geographical limits** relating to the compulsory insurance of liability to employees

You will repay any sums paid by **us** which **we** would not have been obliged to pay but for the provisions of such law

Employers' liability extension

The following is subject to the terms of the policy

Unsatisfied court judgements

Where a judgement for damages has been obtained

- (a) by one of **your employees** or their personal representatives in respect of **bodily injury** caused during any period of insurance and which arises out of and in the course of their employment with **you**
- (b) in any court situated within the **geographical limits**
- (c) against any company or individual operating from premises within the **geographical limits**
- (d) which remains unsatisfied in whole or in part six months after the date of the judgement

we will at **your** request pay to the **employee** or their personal representatives the amount of damages and any awarded costs which remain unsatisfied subject to there being no appeal outstanding

Any payment under this extension is conditional upon the judgement being assigned to **us** by the **employee** or their personal representatives

Employers' liability exclusion

No indemnity will be provided in respect of any liability in respect of **bodily injury** for which **you** are required to arrange motor insurance or security in accordance with any road traffic legislation within the European Union

Cover 2 – Public liability

This insurance is provided on a 'Costs in Addition' basis unless stated otherwise

This means that (with the exception of claims which are brought within the legal jurisdiction of the United States of America or Canada) **legal costs** are payable in addition to the limit of indemnity specified in the schedule

Cover

We will indemnify **you** against **your** legal liability to pay damages arising out of

- (a) accidental **injury** of any person
- (b) accidental **damage to property**
- (c) nuisance trespass to land trespass to goods or interference with any easement of air light water or way

We will not provide indemnity in respect of any liability which arises from any deliberate act or omission by **you** which could reasonably have been expected having regard to the nature and circumstances of such act or omission or which is a natural consequence of the ordinary conduct of **your business**

happening during the period of insurance and caused in connection with the **business**

We will in addition indemnify **you** against **legal costs** other than in respect of

- (a) any claim which is brought within the legal jurisdiction of the United States of America or Canada in which circumstances **legal costs** shall be included within the limit of indemnity
- (b) any claim as insured under the Legionellosis and Financial loss extensions in which circumstances **legal costs** shall be included within the limit of indemnity

The total amount **we** will pay in respect of damages for

- (a) all **events** arising from **pollution or contamination** (other than as insured by the Legionellosis extension) which **we** deem to have occurred during any period of insurance shall not exceed the limit of indemnity shown in the schedule
- (b) any other **event** shall not exceed the limit of indemnity shown in the schedule

Where **we** are liable to indemnify more than one person the total amount of indemnity to all parties including **you** in respect of damages arising from one **event** shall not exceed the limit of indemnity shown in the schedule

Public liability extensions

Each of the following is subject otherwise to the terms of this policy

1 Cross liabilities

If **you** consist of more than one party (and in the case of partnerships this shall mean each individual partner) **we** will indemnify each party in the terms of this policy against liability incurred to the other in the same manner and to the same extent as if a separate policy had been issued to each subject to the maximum amount payable in respect of damages arising out of one **event** not exceeding the limit of indemnity

2 Contingent motor liability

Notwithstanding exclusion 5 regarding vehicles **we** will indemnify **you** alone in respect of legal liability for **injury** or **damage** arising out of the use by any **employee** in the course of the **business** of any mechanically propelled vehicle which is neither owned by nor provided by **you**

We will not provide an indemnity in respect of

- (a) **damage** to such vehicle or any **property** contained or being transported within it
- (b) **injury** or **damage** arising while the vehicle is being driven by **you** or any person who to **your** knowledge does not hold a licence to drive such a vehicle (unless they have held and are not disqualified for holding or obtaining such a licence)
- (c) circumstances where **you** are entitled to indemnity under any other insurance
- (d) **injury** or **damage** arising outside the **geographical limits**

3 Data Protection Act 1998

We will indemnify **you** and if **you** request any **employee** director or partner of **yours** against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998

This indemnity is subject to **you** being registered in accordance with the Act or having applied for such registration which has not been refused or withdrawn and that **you** have taken all reasonable care to comply with its requirements

We will not provide any indemnity in respect of

- (a) the payment of fines or penalties
- (b) the costs of replacing reinstating rectifying erasing blocking or destroying any personal data
- (c) liability arising from or caused by a deliberate or intentional act by or omission of any person entitled to indemnity
- (d) claims arising out of circumstances which have been notified to previous insurers or which were known to **you** at the inception of this extension
- (e) legal liability where indemnity is provided by any other insurance

4 Defective Premises Act

We will indemnify **you** against legal liability incurred by virtue of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of **injury** or **damage** which occurs within a period of seven years from the expiry or cancellation of this policy

No indemnity will be provided

- (a) if **you** are entitled to indemnity under any other insurance
- (b) in respect of the cost of remedying any defect or alleged defect in the premises disposed of

5 Overseas personal liability

We will indemnify **you** and if **you** request any **employee** director or partner of **yours** for personal liability for **injury** or **damage** arising other than in connection with the **business** or any business of the person claiming indemnity while such persons are temporarily outside the **geographical limits** in connection with the **business**

No indemnity will be provided by this extension

- (i) for any liability which attaches solely because of a contract
- (ii) arising out of the ownership or occupation of land or buildings
- (iii) where indemnity is provided by any other insurance
- (iv) arising from any craft designed to travel in on or through water air or space but this exclusion shall not apply to any watercraft hired or borrowed and which are less than 9 metres in length and with a maximum speed of less than 15 knots while operated on inland waterways or within 3 miles of the coast

We will in addition indemnify **you** against **legal costs** other than in respect of any claim which is brought within the legal

jurisdiction of the United States of America or Canada in which circumstances **legal costs** shall be included within the limit of indemnity

The total amount **we** will pay for damages for any one **event** is £5,000,000

6 Legionellosis

The insurance provided by this extension is on a claims made basis inclusive of **legal costs** subject to

- (a) cover being operative solely at the **premises**
- (b) the Retroactive Date being the date of inception of this extension

We will indemnify **you** against **your** legal liability to pay damages and **legal costs** in respect of accidental **bodily injury** caused by Legionellosis arising out of the **business**

Provided that this indemnity only applies to

- (i) any claim which is first made in writing to **you** during the period of insurance
- (ii) any incident which has caused or alleged to have caused **bodily injury** or can be reasonably expected to give rise to a claim

and which is notified to **us** within the period of insurance or within 30 days of its expiry

The most **we** will pay in respect of any one claim and in the aggregate for all claims inclusive of **legal costs** in any one period of insurance is £1,000,000 (or any other limit as shown in the schedule)

All claims arising out of the same isolated repeated or continuing incidence of Legionellosis shall be deemed to be made in the period of insurance when

- (a) the first claim was first made in writing to **you** and notified to **us**
- (b) the first notification of the circumstances was first made to **us**

Exclusions

- The indemnity will not apply to legal liability
- (i) arising out of or in connection with any **products** supplied by **you** or contract work executed by **you**
 - (ii) arising from or in connection with any advice design or specification provided by **you**
 - (iii) in respect of Legionellosis which commenced prior to the Retroactive Date

Special provision

It is a requirement of this extension to cover that **you** adhere to the current Health and Safety Executive's Approved Code of Practice for the Prevention of Legionnaires Disease: The control of legionella bacteria in water systems

7 Environmental statutory clean up costs

We will indemnify **you** against **your** legal liability in respect of the cost of

- (a) **Remediation** which **you** are legally required or ordered to conduct by a **regulatory authority**
- (b) Reimbursing a **regulatory authority** where **remediation** has been conducted by or on behalf of the **regulatory authority**

arising from **pollution or contamination** caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific point in time and place during the period of insurance and in connection with the **business**

All **pollution or contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place

You shall be liable for 10% of the cost of any claim giving rise to indemnity under this extension subject to a minimum contribution of £2,500

The maximum amount payable under this extension shall not exceed £1,000,000 in the aggregate in respect of all incidents occurring during the period of insurance

Exclusion

No indemnity will be provided in respect of the removal or disposal of any waste deposited by **you** or on **your** behalf

Definitions applying to this extension

Environmental legislation

means any legislation enacted within the United Kingdom governing the

- (a) prevention and control of pollution and contamination
- (b) protection of the environment

Regulatory authority

means any statutory authority regulator or legal body which has authority under **environmental legislation** to legally require or order **remediation** or to conduct **remediation** itself and to recover the costs of doing so from others

Remediation

means the minimum level of works or operations necessarily conducted under the provisions of the **environmental legislation** to investigate treat remove

- dispose of curtail or minimise pollution but this will not include any works or operations
- (a) to reinstate reintroduce or restore flora or fauna
- (b) to restore natural habitats or species protected by **environmental legislation** or the services that those natural habitats or species perform
- (c) which improve the state or condition of land or water in comparison with its state or condition immediately prior to the incident that caused the **pollution or contamination**

8 Financial loss

Definitions applying to this extension

Computer

means computer or other equipment media or system (or any part of them) for processing storing or retrieving data to include without limitation any microchip integrated circuit or similar device or any computer software

We will indemnify **you** for all sums which **you** become legally liable to pay (other than arising under contract) as damages and **legal costs** in respect of any claim or claims for financial loss first made against **you** during the period of insurance or within 30 days of its expiry in connection with the **business**

The most **we** will pay in respect of any one claim and in the aggregate for all claims inclusive of **legal costs** in any one period of insurance is £250,000 (or any other limit as shown in the schedule)

Exclusions

The indemnity will not apply to legal liability

- (i) arising out of any breach of anti-trust laws
- (ii) arising directly or indirectly from or out of **damage** to **data** including but not limited to any
 - loss of or corruption to **data** whether in whole or in part
 - unauthorised appropriation use access to or modification of **data**
 - unauthorised transmission of any **data** to any third party
 - misinterpretation use or misuse of **data**
 - operator error
- (iii) arising out of any defamation injurious falsehood passing off or infringement of any patent trademark copyright registered design technical or commercial information or other intellectual property

- (iv) arising from the diminution of value of any property
- (v) arising directly or indirectly from or out of
 - the transmission or impact of any virus or similar mechanism
 - any unauthorised access to any **computer**
 - interruption of or interference with electronic means of communication used in the conduct of the **business** including but not limited to any diminution in the performance of any website or electronic means of communication
 - failure of any **computer**
- (vi) for any financial loss sustained by any **employee** arising out of and in the course of employment by **you** in the **business**
- (vii) to any statutory authority arising from the enforcement of statutory requirements or the performance of statutory duties
- (viii) for financial loss arising from any reciprocal arrangement for the storage or processing of computer data or use of computer facilities
- (ix) arising out of or in connection with any delays strikes or labour disturbances

Public liability exclusions

No indemnity will be provided in respect of

- (1) any liability connected directly or indirectly in any way with any error or omission in the provision of professional services
 - (2) any liability arising from **bodily injury** to any **employed person** caused in connection with the **business**
 - (3) any liability arising from **damage** to **property** which is owned or held in trust by **you** or which is in **your** custody or control
- Exclusion (3) will not apply in respect of

- (a) personal effects including vehicles and their contents belonging to residents **employees** directors trustees partners or visitors
- (b) premises and their contents not owned by leased or rented by **you** at which **you** are undertaking work in connection with the **business**
- (c) premises including fixtures and fittings hired by or leased rented or borrowed by **you** but we shall not be liable for
 - (i) the first £250 of any **damage** other than caused by fire or explosion
 - (ii) any liability arising solely under the terms of any contract or agreement
 - (iii) any liability which arises from an agreement to maintain in force insurance against loss of or damage to the premises and their fixtures and fittings
- (4) any liability arising out of or in connection with excavation site clearance construction erection structural extension alteration or demolition
- (5) any liability arising from ownership possession or use by **you** or on **your** behalf of
 - (a) any mechanically propelled vehicle but (except where indemnity is provided by any motor insurance policy or in circumstances where insurance or security is required under any road traffic legislation) this exclusion will not apply in respect of
 - (i) the use of plant as a tool of trade on site
 - (ii) the use of plant at the **premises**
 - (iii) the loading or unloading of any vehicle
 - (iv) the movement of any vehicle not belonging to **you** which is interfering with the execution of the **business**
 - (b) any craft designed to travel in on or through water air or space but this exclusion shall not apply to any non-mechanically propelled waterborne craft of less than 9 metres in length whilst operated on inland waterways or within 3 miles of the coast
- (6) any liability arising directly or indirectly from **pollution or contamination** unless the **pollution or contamination** is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the period of insurance
For the purposes of this exclusion all **pollution or contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place
- (7) any liability arising from advice design or specification provided for a fee or for which a fee would normally be charged
- (8) any liability arising from the sale or supply of any **products** but this exclusion shall not apply to the disposal of furniture furnishings and office equipment originally used in connection with the **business** and which is no longer required for that purpose providing that these are not to **your** knowledge to be exported to the United States of America or Canada
The total amount **we** will pay in respect of damages for all **events** happening during any period of insurance caused by the disposal of such furniture furnishings and office equipment shall not exceed the limit of indemnity shown in the schedule
- (9) the costs of remedying any defect or alleged defect in premises which **you** have disposed of
- (10) (a) fines or penalties
(b) liquidated damages
(c) any compensation awarded by a court of criminal jurisdiction
(d) multiplied aggravated exemplary or punitive damages

- (11) any liability arising from the ownership or use by **you** or on **your** behalf of any premises situated in the United States of America or Canada
- (12) any liability arising from the supervision or execution of any manual work or contract undertaken outside of the European Union
- (13) any liability arising directly or indirectly from mining processing manufacturing removing handling disposing of treatment of distributing or storing of **asbestos**
- However this shall not apply where removing handling or disposing of **asbestos** does not form part of **your** usual business or any contract work undertaken and
- (a) **you** have complied with any legal obligations to manage **asbestos** and
- (b) any discovery of **asbestos** by **you** is unintentional and accidental and
- (c) whereupon discovery of **asbestos** all work immediately stops and
- (d) a HSE licensed asbestos removal contractor is employed to make safe the area in which the discovery is made as soon as is practicable and who has Employers' and Public liability insurance in force which provides limits of indemnity no less than those provided by **your** policies and which do not exclude the work to be carried out
- (14) any liability arising directly or indirectly from fears of the consequences of exposure to or inhalation of **asbestos**
- (15) any liability arising from damage to property where there is a requirement to arrange cover under clause 6.5 of the 2007 JCT conditions or any similar contract clause
- (16) any loss damage cost or expense
- (a) directly or indirectly caused by contributed to by resulting from or arising out of or in connection with any **act of terrorism** regardless of any other cause or

- event contributing concurrently or in any other sequence to the loss
- (b) of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to any **act of terrorism**

If **we** allege that by reason of this exclusion any loss damage cost or expense is not covered by this policy the burden of proving the contrary shall be upon **you**

Liability section extensions

If in force the covers of this section are extended for the following and are subject to terms conditions and exclusions of the relevant cover

1 Compensation for court attendance

If **we** request any of the following categories of people to attend court as a witness in connection with a claim under this section of the policy **we** will provide **you** with the following rates of compensation for each day on which attendance is required

Any of **your** directors trustees or partners £500

Any **employee** £250

2 Corporate manslaughter defence costs

We will indemnify **you** in respect of legal costs and expenses incurred with **our** prior written consent in connection with the defence of any criminal proceedings or an appeal against conviction which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed during the period of insurance in the course of the **business**

Provided that

- (a) **our** liability under this extension shall not exceed £1,000,000 in any one period of insurance
This limit will form part of and not be in addition to the limit of indemnity stated in the schedule
- (b) if this policy provides Legal expenses insurance this extension shall only operate in respect of any excess beyond the amount payable under the Legal expenses section
- (c) where **we** have already provided an indemnity in respect of any **legal costs** incurred in the defence of any criminal proceedings arising out of the same **event** which has given rise to the proceedings in respect of corporate manslaughter or corporate homicide any amount already paid by **us** will be taken into account in calculating **our** liability under this extension
- (d) **we** must consent in writing to the appointment of any solicitor or counsel who is to act for and on **your** behalf
- (e) any appeal can only commence if counsel has advised that it is more likely for an appeal to be successful than not

No indemnity will be provided

- (i) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this extension indemnity would have been provided by such other source or insurance
However this exclusion shall not apply in the circumstances outlined in proviso (b)
- (ii) in respect of any proceedings which result from **your** deliberate act or omission or deliberate act or omission of any trustees managerial employees partners directors of **yours** while acting in their corporate capacity and which could reasonably have been expected having regard to the nature and circumstances of such act or omission
- (iii) in respect of fines or penalties of any kind including the costs of remedial or

publicity orders or the steps required to be taken by such orders

Prosecution defence costs

We will subject to the limit of indemnity indemnify **you** in respect of

- (a) **legal costs** and expenses incurred with **our** written consent
- (b) costs awarded against **you** in connection with the defence of any criminal proceedings or an appeal against a conviction arising from such proceedings brought for a breach of
 - (i) the Health & Safety at Work etc. Act 1974
 - (ii) Part II of the Consumer Protection Act 1987

alleged to have been committed during the period of insurance in connection with the business

Exclusions

We will not provide any indemnity

- (a) where indemnity is provided by any other insurance
- (b) in circumstances where **injury** or **damage** has occurred which may be the subject of a claim under either the employers' liability or public liability covers of this section
- (c) in respect of fines or penalties of any kind
- (d) where the proceedings have resulted from any deliberate act or omission by
 - (i) **you** or any director trustee or partner of **yours**
 - (ii) any **employee** of **yours** who has specific responsibility for compliance with the above legislation

which could reasonably have been expected to constitute a breach of the above legislation

Limit of indemnity

The total amount **we** will pay in respect of any one claim shall not exceed £500,000

5 Legal expenses

The schedule will show if this section applies and the cover in force

Note (not forming part of the policy):

To ensure an expert service the cover under this section has been arranged by us in conjunction with DAS Legal Expenses Insurance Company Limited (DAS).

We are responsible for paying any claims under this section but DAS manage all claim matters and correspondence on our behalf. The legal advice service and claims handling service is provided by DAS Law Limited and/or a preferred law firm on behalf of DAS.

If you wish to speak to DAS about a legal problem or make a claim, please phone:

0345 268 9124

DAS will ask you about your legal issue and if necessary call you back to give you legal advice.

If your issue cannot be dealt with through legal advice and needs to be dealt with as a potential claim under this section of the policy, DAS will give you a reference number. At this point they will not be able to tell you whether the claim is covered or not but will pass your information to their claims-handling team and explain what to do next.

When presenting a claim for legal expenses, the insured person must inform DAS as soon as possible and within the time limits stipulated under the individual covers, conditions and exclusions to this section, giving full details in writing of the insured incident and provide such proofs, supporting evidence and other information as DAS may require.

Please do not ask for help from a solicitor or accountant before DAS have agreed. If you do we will not pay the costs involved.

DAS Head and Registered Office:

DAS Legal Expenses Insurance Company Limited,
DAS House,
Quay Side, Temple Back,
Bristol BS1 6NH.

Registered in England and Wales, number 103274. DAS Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Website: www.das.co.uk

DAS Law Limited Head and Registered Office:

DAS Law Limited,
North Quay,
Temple Back,
Bristol BS1 6FL.

Registered in England and Wales, number 5417859. DAS Law Limited is authorised and regulated by the Solicitors Regulation Authority. DAS Law Limited is listed on the Financial Conduct Authority register to carry out insurance mediation activity, including the administration of insurance contracts, on behalf of DAS Legal Expenses Insurance Company Limited.

Website: www.daslaw.co.uk

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Costs and expenses

means

(1) **Legal costs**

All reasonable and necessary costs chargeable by the **representative** on a standard basis

Also the costs incurred by opponents in civil cases if an **insured person** has been ordered to pay them or pays them with the agreement of **DAS**

(2) **Attendance expenses**

The **insured person's** salary or wages for the time that the **insured person** is off work to attend any court hearing at the request of the **representative**

We will pay for each half or whole day that the court tribunal or the **insured person's** employer will not pay for

The amount **we** will pay is based on the following

- (a) The time the **insured person** is off work including the time it takes to travel to and from the hearing
This will be calculated to the nearest half day assuming that a whole day is eight hours
- (b) If the **insured person** works full-time the salary or wages for each whole day equals 1/250th of the **insured person's** yearly salary or wages
- (c) If the **insured person** works part-time the salary or wages will be a proportion of the **insured person's** weekly salary or wages

DAS

means DAS Legal Expenses Insurance Company Limited

Date of occurrence

means for civil cases when the cause of action first accrued

Insured event(s)

means the circumstances in which the insurance provided by this section will operate as described in each separate cover

Insured person

means the **insured** and the directors trustees partners managers employees and any other individuals declared to **us** by the **insured**

Limit of indemnity

means the sum shown in the schedule which is the most **we** will pay for all claims resulting from one or more events arising at the same time or from the same originating cause

Period of insurance

means the period for which **we** have agreed to cover the **insured person** and for which the premium has been paid

Representative

means the lawyer or other suitably qualified person who has been appointed to act for an **insured person** in accordance with the terms of this section

Territorial limit

means

The United Kingdom of Great Britain and Northern Ireland the Isle of Man and the Channel Islands

Cover

We will indemnify the **insured person** in respect of any **insured event** shown as included in the schedule arising in connection with the **business** as long as

- (a) the **date of occurrence** of the **insured event** happens during the **period of insurance** and within the **territorial limit** and
- (b) any legal proceedings will be dealt with by a court or other body which **DAS** agree to in the **territorial limit** and
- (c) in civil claims it is always more likely than not that an **insured person** will recover damages or obtain any other legal remedy which **DAS** have agreed to or make a successful defence

For all **insured events** **DAS** will help in appealing or defending an appeal as long as the **insured person** tells **DAS** within the time limits allowed that they want **DAS** to appeal

Before **we** pay any **costs and expenses** for appeals **DAS** must agree that it is always more likely than not that the appeal will be successful

If a **representative** is used **we** will pay the **costs and expenses** incurred for this

We will pay compensation awards that **DAS** have agreed to

The most **we** will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is shown as the **limit of indemnity** in the policy schedule

Insured event

Removal of squatters

We will pay the **costs and expenses** to secure the eviction of squatters from the **insured's** premises or land insured by this policy

Exclusions

1. Any claim relating to the eviction of tenants or ex-tenants of the **insured**
2. Any claim reported to **DAS** more than 90 days after the date the **insured person** should have known about the **insured event**
3. **Costs and expenses** incurred before the written acceptance of a claim by **DAS**
4. Fines penalties compensation or damages which the **insured person** is ordered to pay by a court or other authority
5. Any claim relating to patents copyrights trademarks merchandise marks registered designs intellectual property secrecy and confidentiality agreements
6. Any claim relating to rights under a franchise or agency agreement entered into by the **insured**
7. Any **insured event** deliberately or intentionally caused by an **insured person**
8. A dispute with **us** or **DAS** not otherwise dealt with under Condition 7 of this section
9. Any claim relating to a shareholding or partnership share in the **insured** unless such shareholding was acquired under a scheme open to all employees of the **insured** or a substantial number of them of a certain minimum grade other than the directors or partners of the **insured**
10. Judicial review
11. Any legal action an **insured person** takes which **DAS** or the **representative** have not agreed to or where the **insured person** does anything that hinders **DAS** or the **representative**
12. When either at the commencement of or during the course of a claim notified under this section the **insured** is bankrupt or has filed a bankruptcy petition or winding-up petition or has made an arrangement with its creditors or has entered into a deed of arrangement or is in liquidation or part or all of its affairs or property are in the care or control of a receiver or administrator

Conditions

1. An **insured person** must
 - (a) keep to the terms and conditions of the policy
 - (b) notify **us** as soon as is reasonably possible of any alteration which may materially affect **our** assessment of the risk
 - (c) take reasonable steps to keep any amount **we** have to pay as low as possible
 - (d) try to prevent anything happening that may cause a claim
 - (e) send everything **DAS** ask for in writing
 - (f) give **DAS** full and truthful details of any claim as soon as possible and give **DAS** any information they need
 2. (a) **DAS** can take over and conduct in the name of an **insured person** any claim or legal proceedings at any time
DAS can negotiate any claim on behalf of an **insured person**
 - (b) **DAS** will choose the **representative** to represent an **insured person** in any proceedings where **we** may be liable to pay a compensation award
 In other cases an **insured person** is free to choose a **representative** (by sending **DAS** the suitably qualified person's name and address) if
 - (i) **DAS** agrees to start legal proceedings and it becomes necessary for a lawyer to represent the interests of an **insured person** in those proceedings or
 - (ii) there is a conflict of interest
 - (c) Before an **insured person** chooses a lawyer or an accountant **DAS** can appoint a **representative**
 - (d) A **representative** will be appointed by **DAS** and represent an **insured person** according to **DAS's** standard terms of appointment which may include a 'no win no fee' agreement
 The **representative** must co-operate fully with **DAS** at all times
 - (e) **DAS** will have direct contact with the **representative**
 - (f) An **insured person** must co-operate fully with **DAS** and the **representative** and must keep **DAS** up-to-date with the progress of the claim
 - (g) An **insured person** must give the **representative** any instructions that **DAS** require
3. (a) An **insured person** must tell **DAS** if anyone offers to settle a claim and must not agree to any settlement without **DAS's** written consent
- (b) If an **insured person** does not accept a reasonable offer to settle a claim **we** may refuse to pay any further **costs and expenses**
- (c) **We** may decide to pay the **insured person** a reasonable sum of money in respect of the amount of damages the **insured person** is claiming or is being claimed against them instead of starting or continuing legal proceedings

4. (a) If **DAS** ask an **insured person** must tell the **representative** to have **costs and expenses** taxed assessed or audited
 (b) An **insured person** must take every step to recover **costs and expenses** that **we** have to pay and must pay **us** any **costs and expenses** that are recovered
5. If a **representative** refuses to continue acting for an **insured person** with good reason or if an **insured person** dismisses a **representative** without good reason the cover **we** provide will end at once unless **DAS** agree to appoint another **representative**
6. If an **insured person** settles a claim or withdraws their claim without the agreement of **DAS** or does not give suitable instructions to a **representative** the cover **we** provide will end at once and **we** will be entitled to re-claim any **costs and expenses** paid by **us**
7. If there is a disagreement about the way **DAS** handle a claim that is not resolved through **our** complaints procedure **DAS** and the **insured** can choose a suitably qualified person to arbitrate
DAS and the **insured** must both agree to the choice of this person in writing
 Failing this **DAS** will ask the president of a national association relevant to the arbitration to choose a suitably qualified person
 All costs of resolving the matter must be paid by the party whose argument is rejected
 If the decision is not clearly made against either party the arbitrator will decide how the costs are shared
8. **DAS** may at their discretion require the **insured** to obtain an opinion from counsel at the **insured's** expense as to the merits of a claim or proceedings
 If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings the cost of obtaining the opinion will be paid for by **us**
9. All Acts of Parliament within the section wording shall include equivalent legislation in Scotland Northern Ireland the Isle of Man or the Channel Islands as the case may be
10. This section will be governed by English law

6 Terrorism

The schedule will show if this section applies

Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Act of terrorism

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

Business interruption

means loss arising from interruption or interference with the **business** carried on by **you** at the **premises** as a result of damage to or destruction of property used by **you** at the **premises** for the purpose of the **business**

Denial of service attack

means 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 excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Event

means all individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same **act of terrorism**

The date and time that any such period of 72 hours shall commence shall be set by **us**

Hacking

means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether **your** property or not

Nuclear installation

means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for

- (a) The production or use of atomic energy
- (b) The carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations
- (c) The storage processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the course of the production or use of nuclear fuel

Nuclear reactor

means any plant (including any machinery equipment or appliance whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons

Phishing

means any access or attempted access to data or information made by means of misrepresentation or deception

Property insured

means all property which is insured under other sections of this policy

Excluding

- (a) any land or building which is occupied as a private residence or any part thereof which is so occupied unless
 - (i) the remainder of the building is not a private residence and is insured under this policy
 - (ii) such land or building is not insured in the name of an individual
- (b) any **nuclear installation** or **nuclear reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **nuclear installation** or **nuclear reactor**

Territorial limits

means England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987

Virus or similar mechanism

means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

This includes but is not limited to Trojan horses worms and logic bombs

Cover

We will pay **you** for

- (a) damage to or the destruction of **property insured** belonging to **you** or for which **you** are legally responsible
- (b) **business interruption** as insured by this policy

occasioned by or happening through or in consequence of an **act of terrorism** within the **territorial limits**

Provided always that the insurance by this section

- (i) is not subject to any of the General exclusions of this policy
- (ii) is not subject to any long term agreement or undertaking which may otherwise apply
- (iii) is not subject to any terms in this policy which provide for adjustments of premium
- (iv) is subject otherwise to all the terms provisions definitions and conditions of this policy except where expressly varied within this section
- (v) is subject to a maximum period of insurance of 12 months from the inception or renewal date of this policy Any subsequent period of cover provided by this section whether for 12 months or less is deemed to constitute a new period of insurance provided that
 - (a) no subsequent period of insurance by this section shall extend beyond the next renewal date of this policy
 - (b) the renewal premium due in respect of this section has been received by **us**

Basis of settlement

As described in the relevant section of this policy in respect of damage to or destruction of the **property insured** or **business interruption**

The most **we** will pay for any one **event** is the lesser of

- (a) the total sum insured or
- (b) for each item its individual sum insured or
- (c) any other limit of liability as stated in the relevant section of this policy less the **excess**

The **excess** applicable to losses under this Terrorism section shall be equal to the **excess** applied in respect of the risk of fire and/or explosion under the other sections of this policy

Exclusions

We will not be liable for any losses whatsoever

- (1) occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- (2) arising under
 - (a) marine aviation and transit policies
 - (b) motor insurance policies
 - (c) bankers blanket bond
- (3) directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
 - (a) the alteration modification distortion corruption of or 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 without limitation any information or programs or software)
 - (b) any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item whether **your** property or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**

Condition

- (1) If **we** allege that any loss is not covered by this section the burden of proving that such loss is covered shall be upon **you**

General information

Complaints procedure

If you are unhappy with our products or service, please contact us as soon as possible.

You can complain in writing or verbally at any time to:

For all complaints other than Legal expenses complaints

Ecclesiastical Insurance Office plc
Beaufort House,
Brunswick Road,
Gloucester,
GL1 1JZ.

Tel: 0345 777 3322

Email: complaints@ecclesiastical.com

For Legal expenses complaints

DAS Legal Expenses Insurance Company Limited
DAS House,
Quay Side, Temple Back,
Bristol, BS1 6NH.

Tel: 0344 893 9013

Email: customerrelations@das.co.uk

Our promise to you

We will aim to resolve your complaint within one business day.

To resolve your complaint we will:

- Investigate your complaint diligently and impartially.
- Keep you informed of the progress of the investigation.
- For more complex issues, we may need a little longer to investigate and we may ask you for further information to help us reach a decision.
- Respond in writing to your complaint as soon as possible.

If you are not satisfied with our response, or if we have not completed our investigation within eight weeks, we will inform you of your right to take the complaint to:

The Financial Ombudsman Service
Exchange Tower,
London, E14 9SR.

Tel: 0800 0 234 567

Email: complaint.info@financial-ombudsman.org.uk

Web: www.financial-ombudsman.org.uk

This complaints handling procedure does not affect your right to take legal proceedings.

The Financial Services Compensation Scheme (FSCS)

The Financial Services Compensation Scheme (FSCS) is the independent body, set up by government, which gives you your money back if your authorised* financial services provider is unable to meet its obligations.

The FSCS protects a range of products for both individuals and small businesses. Limits apply depending on the product you have bought. The FSCS does not charge individual consumers for using its service. The FSCS cannot help you if the firm you have done business with is still trading.

You can contact the FSCS helpline on 0800 678 1100 or 0207 741 4100, write to the address below or visit the website - www.fscs.org.uk

Financial Services Compensation Scheme
10th Floor, Beaufort House,
15 St Botolph Street,
London,
EC3A 7QU

* The FSCS can only pay compensation for customers of financial services firms authorised by the PRA or the FCA.

Notes

Notes

Notes

This contract is underwritten by:
Ecclesiastical Insurance Office plc.

Our FCA register number is 113848.
Our permitted business is general insurance.

**You can check this on the
FCA's register by visiting the
FCA's website**

www.fca.org.uk/register

**or by contacting the FCA on
0800 111 6768**

For further information on any
of our products, please speak
to your insurance broker.

Or visit us at

www.ecclesiastical.com



Beaufort House, Brunswick Road,
Gloucester GL1 1JZ

Ecclesiastical Insurance Office plc (EIO) Reg. No. 24869. Ecclesiastical Insurance Group plc (EIG) Reg. No. 1718196. Ecclesiastical Life Ltd (ELL) Reg. No. 243111. E.I.O. Trustees Ltd Reg. No. 941199. All companies are registered in England at Beaufort House, Brunswick Road, Gloucester, GL1 1JZ, UK.

EIO and ELL are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.