



# Flats Insurance

Policy

Quality Buildings Insurance for Flats and Apartments

Underwritten by



## **Introducing 1st Sure**

**Thank you for choosing 1st Sure as your insurance partner.**

1st Sure is part of the Midway Insurance Services Ltd group of companies where we specialise in insuring owner occupied leasehold property, particularly Blocks of Flats and properties converted from Private Dwelling Houses.

We have been trading as a business for over 35 years and working in this specialist sector for nearly 20 years. Our expertise is recognised across our industry and we have won many awards for our products, services and innovations.

Your policy has been evolved based on our experience and expertise built up over this period of time, and is market leading reflecting the needs of lease owners insurance.

We are able to help you with all your insurance needs, so please do not hesitate to contact your usual insurance advisor who will be able to assist you further.

# Introducing AXA

One of the world's largest insurers

With more than 50 million customers across the globe AXA is one of the world's largest insurance providers. We have a presence in over 50 countries yet We pride ourselves on having a real understanding of local issues

Care, advice & support when You need it

We are a world leader in financial protection and wealth management. We offer a wide range of insurance and financial products to meet Your business and personal needs, and are committed to delivering consistent care, advice and support when You need it.

We employ 117,000 people worldwide, and are also one of the thirty largest companies of any kind (Fortune magazine's Global 500 for 2003)

AXA helps people to get the best out of life. To achieve this, We provide a wide range of products and services including Business Insurance, Home and Motor Insurance, Investments, Life Assurance, Retirement Planning, LongTerm Care, Asset Management, Medical Insurance and Dental Payment Plans.

AXA Insurance UK plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. This can be checked on the FCA's register by visiting the FCA's website at [www.fca.org.uk/register](http://www.fca.org.uk/register) or by contacting them on 0800 111 6768.

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# Your Policy

*The Company in consideration of the payment of the premium shall provide insurance against loss destruction damage or liability occurring at any time during the Period of Insurance (or any subsequent period for which the Company accepts a renewal premium) in accordance with the Sections of the Policy shown as operative in the Schedule subject to the exclusions provisions and conditions of the Policy*

*The Policy and the schedule should be read together as one contract This is a contract of insurance between You and Us and You have a duty to make a fair presentation of the risk to Us in accordance with the law*

*You must comply with the conditions to have its full protection If You do not comply then We may at Our option take one or more of the following actions*

- 1) Cancel Your Policy*
- 2) Declare Your Policy void (treating Your Policy as if it had never existed)*
- 3) Change the terms of Your Policy*
- 4) Refuse to deal with all or part of any claim or reduce the amount of any claim payments*

*Please refer to the Policy Conditions of this Policy*

## **Important**

We recommend You read this Policy together with Your schedule to ensure that it meets with Your requirements Should You have any queries please contact Us or Your insurance adviser

Your attention is drawn to the Complaints procedure (Making a Complaint) on page 29

## **The law applicable to this Policy**

You and We can choose the law which applies to this Policy We propose that the Law of England and Wales apply Unless We and You agree otherwise the Law of England and Wales will apply to this Policy

# Important Helplines

Glass Replacement Service	<b>0333 003 3388*</b>	A quick and efficient repair/replacement service is available 24 hours a day 365 days a year
Legal and Tax Advice	<b>0330 024 5346**</b>	Our confidential legal and tax advice line Please quote AXA Commercial when You call
Emergency Helpline	<b>0330 024 5346***</b>	Our 24 hour emergency helpline Please quote AXA Commercial when You call We will provide details of reputable contractors who will be able to help Calling the helpline does not constitute notification of an insurance claim You will have to pay for any call out charges parts and cost of labour If connected to a potential claim please follow the Claims Notification Condition and Claims Procedures Condition first

\* The Glass replacement service is provided by Glassolutions Waterlands Meadows Road Brookfields Park Manvers Rotherham S63 5DJ

\*\* The telephone legal and tax advice is provided on behalf of Arc Legal Assistance Ltd by Irwin Mitchell Solicitors and can advise on general UK law and taxation

\*\* Tax telephone advice provided by Irwin Mitchell Solicitors may involve the use of external accountants to provide tax telephone advice

\*\* Arc Legal Assistance Ltd make no additional charge for providing these services

\*\*\* The emergency assistance helpline is provided on behalf of Arc Legal Assistance Ltd by AXA Assistance UK Arc Legal Assistance Ltd make no additional charge for providing these services Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority Their Firm Reference Number is 305958

Irwin Mitchell LLP is a limited liability partnership registered in England and Wales with number OC343987 and is authorised and regulated by the Solicitors Regulation Authority Telephone calls may be monitored and recorded

# Definitions

*Wherever the following words and phrases appear in the Policy they will always have these meanings*

## **Block of Flats**

The building(s) of the Block(s) of Flats shown in the schedule including domestic outbuildings greenhouses landlords fixtures and fittings swimming pools and tennis courts squash courts walls gates fences hedges paved terraces patios paths and drives all on the same premises and in addition any private garages owned and used in connection with the Block of Flats

Unless shown differently in the schedule the Flats are of Standard Construction

## **Business**

Owners of and/or the organisation and management of the Block of Flats or the Private Dwelling House

## **Contract works**

The permanent and temporary works undertaken by You or on Your behalf for the purpose of alteration or improvement to the building(s) This includes all unfixed materials and goods for which You are responsible and whether supplied free of charge or not delivered to or placed on or adjacent to the permanent and temporary works and intended for incorporation in them in performance of the contract at the premises specified in Your schedule This does not include any tools contractor's plant and equipment site huts and other temporary accommodation and their contents belonging to You or hired by You under a hiring agreement hire purchase lease agreement or on a free loan

## **Contents of Communal Parts**

Furniture and all other property belonging to You or for which You are responsible in or on the stairs halls and other communal parts of the Block of Flats but not the contents of individual Flats themselves

## **Damage**

Loss destruction or damage

## **Private Dwelling House**

A building shown on the schedule occupied solely as a private residential dwelling including domestic outbuildings greenhouses landlords fixtures and fittings swimming pools and tennis courts squash courts walls gates fences hedges paved terraces patios paths and drives all on the same premises and in addition any private garage(s) owned and used in connection therewith

Unless shown differently in the Schedule the Private Dwelling House is of Standard Construction

### **Employee**

- a) Any person under a contract of service or apprenticeship with You
- b) Any person who is hired to or borrowed by You
- c) Any person engaged in connection with a work experience or training scheme
- d) Any labour master or person supplied by him
- e) Labour only sub-contractors and persons engaged by them
- f) Any self-employed person working on a labour only basis under Your control/ supervision
- g) Any voluntary helper

while working for You in connection with the Business

### **Flat**

A self-contained unit of residential accommodation forming part of the Block of Flats

### **Flood**

Under Sections 1 or 2 Peril e) Flood is defined as loss or damage by

- i) the escape of water from the normal confines of any natural or artificial water course lake reservoir canal drain or dam
- ii) inundation from the sea
- iii) inundation by rainwater or rainwater induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building

### **Injury**

Bodily injury death disease illness or nervous shock

### **Money**

Cash bank or currency notes cheques personal bank cash guarantee and credit cards postal orders postage stamps which are not part of a collection trading stamps Premium Bonds National Savings stamps or certificates luncheon vouchers record book or similar tokens

### **Offshore**

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform and until such time of disembarkation from any conveyance onto land upon return from any offshore rig or any offshore platform

### **Proposal**

The Proposal Form/Statement of Fact You have completed and any other information given to Us by You or on Your behalf

This is the basis of the contract between You and Us

### **Resident**

The owner lessee or tenant of any Flat or Private Dwelling House and any member of his/her family permanently residing with him/her



**Standard Construction**

Mainly brick stone or concrete built and mainly roofed with slates tiles metal asbestos asphalt or concrete

**Non Standard Construction**

Constructed of materials other than those detailed in the definition Standard Construction

**Sum Insured**

The amount of cover which represents

In respect of Section 1 – the full cost of rebuilding the Block of Flats or Private Dwelling House in the same form style and condition as new plus a reasonable amount for architects surveyors and legal fees debris removal costs and other costs to comply with government or local authority requirements

It should be noted that the rebuilding cost in areas of high property values may be different from the market value

In respect of Section 2 – the full cost of replacement as new of the Contents of Communal Parts

**Territorial Limits**

Great Britain Northern Ireland the Channel Islands or the Isle of Man other than Offshore

**AXA Insurance Company We Us Our**

AXA Insurance UK plc

**You/Your**

The person(s) firm company or organisation shown in Your schedule as the insured

# Section 1 – The Buildings

## 1 What is Insured?

The Block of Flats or Private Dwelling House is insured against Damage by the following perils If more than one Block of Flats or Private Dwelling House is insured by the Policy any exclusion or limitation applies separately to each Block of Flats or Private Dwelling House

## 2 Perils Insured

- a. Fire smoke explosion lightning or earthquake
- b. Riot civil commotion labour and political disturbances and strikes
- c. Malicious damage and vandalism but not
  - Damage by any Resident to the Flat or Private Dwelling House in which he/ she resides
  - Damage by You any member of Your family or any Employee
- d. Impact by
  - i) aircraft or other aerial devices or anything dropped from them
  - ii) vehicles
  - iii) trains
  - iv) animals but not
    - Damage by domestic pets
  - v) falling trees or branches
  - vi) falling aerials or masts
  - vii) falling television satellite dishes
- e. Storm or Flood but not
  - Damage by frost
  - Damage to outdoor swimming pools tennis courts paved terraces patios fences gates paths and drives
- f. Subsidence or heave of any part of the site on which the Block of Flats or Private Dwelling House stands or landslip but not
  - Damage to outdoor swimming pools tennis courts paved terraces walls gates fences patios paths and drives unless the main building of the Block of Flats or Private Dwelling House is damaged at the same time by the same cause
  - Damage caused within ten years of construction by
    - i) the normal settlement or bedding down of new structures
    - ii) the settlement of made up ground or of materials brought to the site
  - Damage caused by
    - i) coastal or river erosion
    - ii) defective design or workmanship or the use of defective materials
  - Damage to solid floor slabs or Damage resulting from their movement unless the foundations beneath the outside walls of the main building of the Block of Flats or Private Dwelling House are damaged at the same time by the same cause

- Damage resulting from
  - i) demolition construction structural alteration or repair of any property or
  - ii) groundworks or excavation
 at the Block of Flats or Private Dwelling House
  
- g. Bursting or leaking of water apparatus and the escape of water from or the freezing of any fixed domestic water or heating installation but not
  - Damage caused by wet or dry rot rust corrosion or other wear tear and deterioration
  
- h. Damage to any fixed domestic water or heating installation caused by its own forcible and violent bursting but not
  - Damage caused by rust corrosion or other wear tear and deterioration
  
- i. Theft or attempted theft but not
  - Damage by You or Your family or any Employee
  
- j. Escape of oil from any fixed domestic oil heating installation
  
- k. Any other accidental loss or damage but not
  - wear tear deterioration atmospheric or climatic conditions settlement shrinkage drying out wet or dry rot vermin wood boring insects fungus or any gradually operating cause
  - everything excluded under Perils Insured a)-j) and paragraph 3
  - cost of maintenance or routine decoration
  - faulty workmanship or design or the use of faulty materials
  - Damage to the buildings or any part of them arising from construction structural alteration or repair or demolition
  - sudden and unforeseen Damage to property which is insurable under an engineering insurance policy

### **3 Extensions**

The Policy will pay for

a) Additional Expenses

the necessary expenses You incur for rebuilding or repairing the Block of Flats or Private Dwelling House as a result of Damage insured by this Policy namely

- i) architects surveyors and legal fees
- ii) the costs of clearing debris from the site or demolishing or shoring up the Block of Flats or Private Dwelling House
- iii) other costs to comply with government or local authority requirements

b) Pipes Cables and Drains

the cost of repairing accidental damage to cables underground pipes and drains (and their inspection covers) serving the Block of Flats or Private Dwelling House but not

- Damage which You are not legally responsible to repair
- Damage caused by rust corrosion or other wear and tear

c) Trace and Access

the reasonable costs necessarily incurred by You in locating the source and subsequent making good of Damage under paragraph 2g) and paragraph 3b) but not

- any amount in excess of £25,000 in any one year of insurance

We may however at our discretion and with Your permission elect to re-route the pipework from which the escape of water has occurred However We will not pay more than We would have done if We had elected to repair existing pipework

d) Breakage of Glass and Sanitary Fixtures

accidental breakage in the Block of Flats or Private Dwelling House of solar glass heating panels fixed glass and sanitary fixtures but not

- Damage which is not accidental and unforeseen

e) Loss of Rent and Alternative Accommodation Expenses

1 Where the Policy covers the freeholder loss of ground rent and management charges You should pay or should have received but have lost

2 In respect of each individual Flat or Private Dwelling House where the policy extends to provide cover for long leaseholders being the owners of leases where the original lease was for a period of 21 years or more

- i) the costs of reasonable alternative accommodation and temporary storage of lessees furniture and
  - ii) the cost of reasonable accommodation in kennels or catteries for lessees dogs and cats
  - iii) Loss of rent
- while

- i) the Flat or Private Dwelling House is unfit to live in or
- ii) access to the Block of Flats or Private Dwelling House is denied

as a result of Damage at Your Block of Flats or Private Dwelling House that is covered by this Policy but not

- any amount in excess of 33.3% of the Sum Insured

But in respect of each individual Flat or Private Dwelling House the payment made may be adjusted according to the percentage contribution made by each Flat or Private

Dwelling House towards the total management charges and/ or ground rent of the Block of Flats or housing development

The following endorsement is added to Extensions under Section 1 –Buildings of the Flats

#### Denial of Access

if during the period of insurance the Block of Flats or Private Dwelling House is not itself damaged but access is denied as a result of Damage by an Insured Peril to premises within a one mile radius from the Block of Flats or Private Dwelling House We will pay for

1 where the Policy covers the freeholder loss of ground rent and management charges You should pay or should have received but have lost

2 in respect of each individual Flat or Private Dwelling House where the policy extends to provide cover for long leaseholders being the owners of leases where the original lease was for a period of 21 years or more

- i) the costs of reasonable alternative accommodation and temporary storage of lessees furniture
- ii) the cost of reasonable accommodation in kennels or catteries for lessees dogs and cats
- iii) Loss of rent

#### Emergency Accommodation for Tenants of Lessees

The Company will pay for the reasonable costs incurred for short term residential accommodation by tenants of lessees with the Company's prior consent;

a. following Damage to the premises that renders any flat uninhabitable

or

b. caused by prevention or hindrance of access to the Block of Flats or Private Dwelling House or prevention of use of the Block of Flats or Private Dwelling House in consequence of an occurrence any of the Perils insured under Section 1 within a 1 mile radius

We will only pay for up to 7 nights residential accommodation

and not exceeding any amount in excess of 33.3% of the Sum Insured for the damaged Block of Flats or Private Dwelling House

but in respect of each individual Flat or Private Dwelling House the payment made may be adjusted according to the percentage contribution made by each Flat or Private Dwelling House towards the total management charges and/or ground rent of the Block of Flats or housing development

Provided that

- these Insured Perils are insured under Section 1 –Buildings of the Flats in respect of Your Block of Flats or Private Dwelling House
- such loss results from the compulsory actions taken by police competent authority or any other statutory authority

But not:

- any loss that does not result in access being denied for at least 12 hours duration
- any amount in excess of £1,000,000 any one claim or in any one period of insurance
- for longer than 12 weeks duration from the date of Damage by the Insured Peril
- where an incident occurs resulting in a claim under this Extension You cannot claim under e) Loss of Rent and Alternative Accommodation Expenses 2021 for the same incident

The Special Clause Reinstatement of Sum Insured Clause does not apply to this Extension

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 the lessee

#### **Definition**

For the purposes of this Extension the following Definition applies

Insured Peril(s)

Fire lightning explosion aircraft or other aerial devices or items dropped from them theft earthquake storm flood escape of water from any tank apparatus or pipe leakage of oil from any fixed domestic heating installation impact by any road vehicle or animal

#### f) Damage to Landscaped Gardens

Damage done to landscaped gardens by the Emergency Services in attending the Block of Flats or Private Dwelling House due to Damage insured by this Policy but not

- any amount in excess of £25,000 in any one year of insurance

#### g) Theft of Keys

the reasonable costs necessarily incurred in replacing external door locks at the Block of Flats or Private Dwelling House including external door locks for individual Flats following loss of keys by

- i) theft from the Block of Flats individual Flats Private Dwelling House or Registered Office or from the home of

or

- ii) theft following hold-up whilst such keys are in the personal custody of

You or any Employee or Resident authorised to hold such keys

but not

- any amount in excess of £2,500 in respect of any one Block of Flats or Private Dwelling House
- any amount in excess of £25,000 in any one year of insurance

h) Loss of Metered Water

the unit cost of metered water at the current rate per cubic metre consumed as a direct result of Damage incurred by You or a Resident arising under paragraph 2g) but not

- any amount in excess of £5,000 in respect of any one claim

i) Closed Circuit Televisions

the cost of repairing accidental damage to closed circuit television systems at the Block of Flats or Private Dwelling House but not

- any amount in excess of £5,000 in respect of any one claim

j) Removal of Nests

the cost of removing wasps or bees nests from the Block of Flats or Private Dwelling House but not

- any amount in excess of £250 in respect of any one claim

k) Tree Felling or Lopping

the cost of felling or lopping trees at the Block of Flats or Private Dwelling House which are an immediate threat to the safety of life or property as a result of Damage by paragraphs a)-j) of the Perils Insured

but not

- any amount in excess of £1000 in respect of any one claim
- any amount in excess of £2,500 in any one Period of Insurance

l) Unauthorised Occupation

If during the Period of Insurance unauthorised persons take possession keep possession or occupy the Block of Flats Your Flat or Your Private Dwelling House

We will pay

- i) the costs You incur in terminating such unauthorised use
  - ii) the cost of metered electricity gas or water for which You are legally responsible arising from such unauthorised use but not any amount
- in excess of £5,000 in respect of any one Flat or Private Dwelling House
  - in excess of £25,000 in the aggregate in any one Period of Insurance

m) Munitions of War Cover

The War Risks Exclusion and part b) of Exclusion 1 War and Nuclear Risks will not apply to Damage to the Block of Flats or Private Dwelling House from or occasioned by the detonation of munitions of war or parts thereof in or within five miles of the Block of Flats or Private Dwelling House provided that the presence of such munitions does not result from a state of war current at the time of Damage

Exclusion b) of the War and Nuclear Risks exclusion shall not apply to this extension

n) Fly Tipping

We will pay for the reasonable costs of clearing and removing any property illegally deposited in or around the Block of Flats or Private Dwelling House insured under this policy

The maximum We will pay is £2,500 for any one claim £15,000 in any one Period of Insurance subject to an excess of £500 for each and every claim

o) Removal of Debris

Debris removal – the cost of

- i) removing debris dismantling demolishing propping or shoring up damaged parts of the Block of Flats or Private Dwelling House
- ii) cleaning drains subject to a limit of £5,000 in respect of any one claim necessarily and reasonably incurred with Our written consent

We will not pay for costs or expenses

- Incurred in removing debris except from the site of the damaged buildings and the area immediately adjacent to the site
- Arising from pollution or contamination of property not insured by this section

p) Value added tax (VAT) cover

We will cover You for VAT paid by You which is not recoverable

Provided that

1

- a) Your liability for the tax arises as a result of the reinstatement or repair of the Block of Flats or Private Dwelling House following Damage
- b) We have paid or have agreed to pay for the Damage
- c) If any payment made by Us is less than the actual cost of the reinstatement or repair of the Damage then any payment under this cover resulting from that Damage will be reduced by the same proportion



- 2 Your liability for VAT does not arise from the replacement Block of Flats or Private Dwelling House having a greater floor area or being better or more extensive than the Damaged Block of Flats or Private Dwelling House
- 3 Where the Block of Flats or Private Dwelling House is reinstated on another site Our liability will not be higher than the amount of VAT that would have been payable had the Block of Flats or Private Dwelling House been rebuilt on its original site
- 4 Our liability does not include amounts You have paid as penalties or interest for non payment or late payment of VAT
- 5 You have taken all reasonable precautions to insure adequately for VAT liability at the start of this policy and at each subsequent renewal date

For the purpose of any condition of average reinstatement costs will be exclusive of VAT Our liability may be more than the sum insured for a Block of Flats or Private Dwelling House where the additional amount is solely as a result of VAT

q) Non-invalidation cover

The cover provided by this section will not be invalidated by any act or omission or an alteration where the risk of damage is increased unknown to you and beyond your control, provided that when you become aware of it, you tell us immediately and pay any necessary additional premium and comply with any additional terms agreed with us.

#### **4 Claims Settlement**

- a) If the Block of Flats or Private Dwelling House is damaged by any Peril Insured then We will either
  - i) pay for the rebuilding or repair or
  - ii) make a money payment instead
 provided that
  - iii) the Sum Insured when the Block of Flats or Private Dwelling House is damaged is sufficient to rebuild it
  - iv) the property has been maintained in a good state of repair
- b) In the event of Damage to matching sets groups and collections We will not pay for the cost of replacing an undamaged or unbroken item or parts of items forming part of a set suite or other article of uniform nature colour or design where Damage or breakage occurs within a clearly identifiable area to a specific part and replacements cannot be matched
- c) The maximum amount payable in any Period of Insurance in respect of Damage to the Block of Flats or Private Dwelling House by a)-j) of the Perils Insured plus Additional Expenses shall not exceed the Sum Insured shown in the schedule as adjusted in accordance with the Inflation Protection and Extensions and Alterations clauses and any amount excluded under the Perils Insured

## **5 Day one average cover**

This applies if a day one figure is shown against an item in the schedule

Subject to the following special conditions the amount payable for buildings under sums shown as the declared value in Your policy schedule will be calculated as reinstatement of the damaged buildings

For this purpose reinstatement means

1 the rebuilding or replacement of damaged buildings which provided our liability is not increased may be completed

- a) in any manner suitable to Your requirements
- b) on a different site

2 the repair or restoration of damaged buildings in either case to a condition equivalent to or the same as but not better or more extensive than its condition when new

Provided that You have stated the declared value shown in Your schedule for each building and the premium has been calculated accordingly

### **Special conditions applicable to Day one average cover**

1 At the start of each Period of Insurance You must tell Us the declared value of each building. If You do not provide Us with a new declared value the current declared value will be increased in line with the Inflation protection cover for the next Period of Insurance

2 If at the time of damage the declared value of the building You are claiming for is less than the cost of reinstatement at the start of the Period of Insurance our liability for any damage will be proportionately reduced and will be limited to the proportion that the declared value bears to the cost of reinstatement

3 Our liability for the repair or restoration of buildings damaged in part only will not exceed the amount which would have been paid had the buildings been completely destroyed

4 No payment will be made beyond the amount that would have been payable in the absence of this Day one average cover

- a) unless reinstatement starts and proceeds without unreasonable delay
- b) until the cost of reinstatement has been incurred
- c) if the buildings at the time of the damage is insured by any other insurance which is not on the same basis of reinstatement

If You do not comply with Special condition 4 of this clause or You decide not to rebuild the

buildings in a condition equal to but not better or more extensive than its condition when new then this cover is cancelled and our and Your rights and liabilities in respect of the damage will be subject to the following Condition of average (under insurance)

#### **Condition of average (under insurance)**

The cover for each building is deemed to be subject to average ie if the building at the time of damage is valued at more than 115% of the declared value stated in Your schedule then You will be considered as self insured for the difference and will be responsible for a proportionate share of the loss

#### **Condition of average waiver cover**

In the event of a claim We agree to waive Special condition 2 of the Day one average cover of this section providing

1 You can give Us documentary evidence of a valuation/revaluation by a Fellow or Member of the Royal Institute of Chartered Surveyors made no more than three years before the damage

2 annual interim revaluations have been undertaken in accordance with the Royal Institute of Chartered Surveyors Rebuilding cost index

3 the declared value is based on the valuations/revaluations at each renewal  
In the event of any undisclosed structural alterations or additions this waiver will not be valid until a subsequent revaluation has been completed and the declared value is amended accordingly

#### **Definitions applying to Special Clause 3**

If a day one figure is shown against an item in the schedule then the following definitions will also apply

##### **Declared Value**

Your assessment of the cost of reinstatement of the buildings at the level of costs applying at the start of the Period of Insurance ignoring any increase in cost which may apply

##### **Building(s)**

The building(s) of the Block of Flats or Private Dwelling House shown on the schedule

##### **Damage/ Damaged**

Accidental loss or destruction or damage

##### **Period of Insurance**

The period from the start date to the expiry date shown in Your schedule

#### **6 Maintenance Condition**

It is a condition precedent to liability that

You must keep the Block of Flats or Private Dwelling House in a good state of repair

## **7 Empty Blocks of Flats/Unoccupied Private Dwelling Houses Condition**

It is a condition precedent to liability that

- We must be notified immediately in writing whenever a Block of Flats or Private Dwelling House becomes empty
- We will not pay for any claim arising under paragraphs c) (Malicious Damage) g) (Escape of Water) h) (Damage to Water Installations) i) (Theft) of the Perils Insured and paragraph d) (Glass) of the Extensions if any entire Block of Flat(s) or Private Dwelling House(s) is/are left without an occupant for more than 30 consecutive days unless
  - i) Either
    - a) the gas electricity oil and water supplies are turned off and during the months of October to March (inclusive) the water system (including the central heating system) is drained
    - or
    - b) during the months of April to September (inclusive) the gas electricity oil and water supplies are turned off and during the months of October to March (inclusive) the central heating system is put into effective operation for at least a minimum of 4 hours in every 24 hours with those services not necessary for its operation turned off/drained
  - ii) The Block of Flats or Private Dwelling House(s) is/are visited and inspected internally and externally at least once during each week by You or on Your behalf

## **8 Special Clauses**

### a) Extensions and Alterations

If during the Period of Insurance the value of the Block of Flats Your Flat or Your Private Dwelling House is increased because You have built an extension or have carried out other alterations We will automatically cover the value of these extensions and alterations provided they do not exceed 10% of the Sum Insured by this Section

We will not charge the extra premium during the Period of Insurance but You must advise Your broker or agent of the value of the extensions or alterations prior to the renewal date of the Policy

### b) Reinstatement of Sum Insured

In the event of loss We will reinstate the Sum Insured from the date of any loss unless We give written notice to the contrary You may be required to pay some extra premium

### c) Sale of Property Insured

If You have made a contract We will give the buyer the benefit of this Policy up to the date of completion provided the Flat Block of Flats or Private Dwelling House is not otherwise insured

### d) Mortgage or Other Interests

The interest of the owner(s) mortgagee(s) lessor(s) or other interested parties in each individual Flat or Private Dwelling House insured by this Policy is noted You will be required to tell Us of these in the event of a claim

In addition We will protect the interest of the mortgagee(s) or lessor(s) in the event of any act or neglect of the mortgagor(s) or lessee(s) or occupier(s) of any Flat or Private Dwelling House where the risk of Damage is increased without the authority or knowledge of the mortgagee(s) or lessor(s) provided the mortgagee(s) or lessor(s) shall tell Us in writing immediately they become aware thereof and pay any reasonable extra premium We may require

e) Inflation Protection

The Sum Insured on the Block of Flats or Private Dwelling House will be adjusted monthly in step with the Household Rebuilding Cost Index prepared by the Association of British Insurers We will not charge extra premium on monthly changes but when We invite You to renew We will do so for the final Sum Insured which will be based on the latest index figures available when the renewal invitation is prepared

In the event of a claim We will continue to adjust the Sum Insured during the period required to rebuild up to a maximum of three years provided that

i) the Sum Insured at the date of loss is sufficient to rebuild the Block of Flats or Private Dwelling House

ii) the rebuilding or repair is carried out without delay

iii) Day One Average cover is not operative

f) Joint Insured

In respect of Section 1 - Any lessee and/or freeholder and/or Head Lessee and/or residents management company is indemnified as joint insured but not unless there is a lease requirement for them to be joint insured

g) Contractors Interest and Contract Works Cover

Contractors interest cover

Where You are required to arrange insurance for the buildings in the joint names of You and the contractor under the terms of a contract condition then the interest of the contractor in the buildings as joint insured is noted Provided You advise Us of details of any single contract valued in excess of £100,000 and pay any additional premium We may require

Contract Works cover

We will cover You for Contract Works undertaken on any building in the performance of any contract where You are responsible for arranging insurance cover under the terms of the contract

Provided that

1 this cover will only apply as long as the contract works are not insured elsewhere

2 We will not be liable for the first £350 of each and every loss

The most We will pay You for this cover is £100,000 for any one claim

## Section 2 – The Contents of Communal Parts

### **1 What is Insured?**

The Contents of Communal Parts are insured against Damage by the Perils Insured but not

- landlords fixtures and fittings which We insure under Section 1
- articles of gold silver or other precious metals jewellery or furs clothing and personal effects
- Money (other than Money covered in Extension 3(b)) bills of exchange and promissory notes securities or documents of any kind
- any one curio picture or other work of art valued in excess of £1,000
- property which is insured by another policy
- property in the open
- pets and livestock
- motor vehicles caravans boats trailers or accessories in them or attached to them
- property in individual Flats or Private Dwelling Houses occupied by You
- property in individual Flats or Private Dwelling Houses for which You are not responsible

### **2 Perils Insured**

- a) Fire smoke explosion lightning and earthquake

- b) Riot civil commotion labour and political disturbances and strikes
- c) Malicious damage and vandalism but not
  - Damage by You or Your family a Resident or any Employee
- d) Impact by
  - i) aircraft or other aerial devices or anything dropped from them
  - ii) vehicles
  - iii) trains
  - iv) animals but not
    - Damage by domestic pets
  - v) falling trees or branches
  - vi) falling aerials or masts
  - vii) falling television satellite dishes
- e) Storm or Flood
- f) Subsidence or heave of the site on which the Block of Flats or Private Dwelling House stands or landslip
- g) Escape of water from or the freezing of fixed domestic water or heating installations
- h) Theft or attempted theft but not
  - loss by deception unless entry is gained by deception
  - Damage by You or Your family a Resident or any Employee
  - Damage to any portion of the Block of Flats or Private Dwelling House used for business or trade purposes other than Your Business
- i) Escape of oil from any fixed domestic heating installation
- j) Any other accidental damage but not
  - everything excluded under a)-i) of the Perils Insured and Paragraph 1
  - Damage caused by wear tear gradual deterioration cleaning dyeing restoring light or atmosphere parasites or vermin mechanical or electrical breakdown or derangement adjustment or repair to any machine or misuse
  - sudden and unforeseen Damage to property which is insurable under an engineering insurance policy

### **3 Extensions**

The Policy will pay for

- a) Accidental Breakage in the Communal Parts of
  - i) fixed glass in furniture but not
    - glass in pictures and clocks
  - ii) fixed glass in mirrors

iii) glass tops to furniture and glass in shelves

b) Money

Loss from any cause of Money held by members of the Management Committee of the Residents Association for the benefit of individual flat/private dwelling house owners

- i) whilst in any locked safe or locked drawer in any Flat in the Block of Flats or Private Dwelling House within a housing development
- ii) whilst in transit within the Territorial Limits up to a maximum amount of £1,000

but not loss

- arising from fraud or dishonesty unless such loss is discovered within 14 clear days of the occurrence
- from unattended vehicles
- due to accounting or clerical errors

c) Landlords Gardening Equipment

Damage by the Perils Insured to landlords gardening equipment whilst in any locked outbuilding at the Block of Flats or housing development

but not

- theft when entry is not gained or exit made by forcible and violent means
- any amount in excess of £10,000

d) Contents of Individual Flats

Damage by the Perils Insured to contents owned by You located in Individual Flats or Private Dwelling Houses up to a maximum amount of £5,000 any one Flat or Private Dwelling House

However We will not cover You for

- articles of gold silver or other precious metals jewellery or furs clothing and personal effects
- money bill of exchange and promissory notes securities or documents of any kind
- property in the open
- Pets and livestock
- motor vehicles caravans boats trailers or accessories in them or attached to them

#### **4 Claims Settlement**

If the Contents of the Communal Parts are damaged by any Peril Insured then We will pay the full



cost of replacing the articles stolen or destroyed as new provided that the Sum Insured when the Contents of Communal Parts are damaged is sufficient to replace them as new

## Section 3 – Public Liability

### 1 Who is Insured?

You are insured against all sums that You shall become legally liable to pay as damages and claimants costs and expenses arising out of

- a) accidental Injury to any person
  - b) accidental loss of or Damage to material property
- occurring during the Period of Insurance and happening in connection with the Business within the Territorial Limits

The most We will pay for claims for one accident or series of accidents from one cause is the Limit of Indemnity shown in the schedule plus other costs incurred with Our written consent but not

- Injury to any Employee
- Damage to property which is owned leased let rented hired or lent or which is the subject of a bailment to You
- Injury loss or Damage caused by or in connection with or arising out of the ownership possession or use by You or on Your behalf of
  - i) any vessel or craft (other than hand-propelled boats or pontoons) devised or intended to float on or in or to travel on or through water or air
  - ii) any mechanically-propelled vehicle or trailer attached thereto except use within the grounds of the Block of Flats or Private Dwelling House of any such vehicle not licensed for road use and not constructed for the conveyance of passengers provided that no other policy covers the liability This exception shall not apply to liability for accidents arising beyond the limits of the carriageway or thoroughfare in connection with the bringing of the load to any vehicle for loading thereon or the taking away of the load from any vehicle after unloading therefrom by any person other than the driver or attendant of the vehicle
- liability arising from any agreement unless liability would have attached in the absence of such agreement

In addition We will pay

- a) all other costs and expenses incurred with Our written consent
- b) the legal costs and expenses incurred with Our written consent for the defence of prosecutions brought under Sections 36 or 37 of the Health and Safety at Work etc Act 1974 or any alleged offence as detailed in Section 33(1) (a) (b) or (c) of the Act or under Health and Safety at Work (Northern Ireland) Order 1978 under Article 31 including legal costs and expenses incurred with Our consent in an appeal against conviction arising from such proceedings provided that the proceedings relate to the health safety and welfare of persons other than Employees but not
  - fines or penalties
  - legal costs or expenses insured by any other policy

## **2 Extension 1 – Additional Persons Insured**

We will also insure in the terms of this Section

- a) Your legal personal representatives in the event of Your death
- b) the owner or lessee of any Flat or Private Dwelling House
- c) if You so request any of Your directors or Employees as though each had been insured separately provided that
  - i) such persons observe the terms of the Policy insofar as they can apply
  - ii) We retain the sole conduct and control of all claims
  - iii) the most We will pay for claims for one accident or series of accidents from one cause is the Limit of Indemnity shown in the schedule plus other costs incurred with Our written consent but not
    - liability of any Resident incurred solely as occupier of his/her Flat or Private Dwelling House
    - liability of Your directors or Employees for which You would not have been covered if the legal action had been brought against You
- d) the management company owned by the landlord and/or renting tenants and/or leasehold or freehold occupiers

## **3 Extension 2 – Defective Premises Act**

We insure (subject otherwise to the terms of this Policy Section) Your liability under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of

- i) the parts of any Block of Flats and any Private Dwelling Houses formerly owned or leased by You and occupied solely for private residential purposes
- ii) any private dwelling formerly owned or leased by the owner or lessee of any Flat

provided that

- a) at the time of the incident giving rise to the liability You have sold that private dwelling or Flat but not
  - Damage to the premises disposed of
- b) no other policy covers the liability

The cover under this extension continues for seven years from the date of disposal of the premises provided You do not have this cover under another policy

#### **4 Extension 3 – Cross Liabilities**

If more than one person is referred to in the schedule each person shall be considered as a separate and distinct entity and cover shall be construed as applying to each person as though each had been insured separately

provided that

the most We will pay for claims for one accident or series of accidents from one cause is the Limit of Indemnity shown in the schedule plus other costs incurred with Our written consent

#### **5 Extension 4 – Managing Agents**

At Your request We will cover the legal liability of Your managing agent arising from the performance of duties under the terms of Your agreement with the managing agent(s) in connection with the business

The cover will apply only to the extent that it would have applied had the claim been made against You and We will not cover claims

1 for loss of or damage to property let or managed by the managing agent or any property for which the managing agent is responsible

2 caused by or arising from any breach of professional duty in relation to the letting or management of property

The amount payable by Us in total on behalf of all entitled to cover shall not in any circumstances exceed the limit of indemnity shown in Your schedule as a result of this endorsement

#### **6 Extension 5 – Manslaughter Costs Extension**

The indemnity provided by these Sections extends to include

- a) legal costs and expenses incurred by the Insured or any person entitled to indemnity with the prior written consent of the Company in
  - i. The course of an investigation leading to the offence of
  - ii. defending the Insured against criminal proceedings in connection with a charge of
  - iii. an appeal against any conviction resulting from a prosecution for

manslaughter corporate manslaughter corporate homicide or culpable homicide as a result of any death happening during the Period of Insurance which may be the subject of indemnity under the Policy

- b) prosecution costs awarded against the Insured or any person entitled to indemnity as a result of any conviction for such an offence

Provided always that

- 1) The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one Period of Insurance
  
- 2) The Company shall not be liable to make any payment under this Extension in respect of
  - a) the fees of any solicitor or counsel appointed by or on behalf of any person entitled to indemnity unless consent to the appointment has been agreed by the Company
  - b) fines or penalties or the cost of implementing any remedial order or publicity order
  - c) an appeal unless advice has been obtained from a Queen's Counsel that such appeal has strong prospect of success
  - d) an appeal against any fine penalty remedial order or publicity order
  - e) costs incurred as a result of the failure to comply with any remedial order or publicity order
  - f) costs and expenses insured by any other policy
  - g) any investigation or prosecution brought other than under the laws of Great Britain Northern Ireland the Channel Islands or the Isle of Man

## Section 4 – Employers Liability

### 1 Who is Insured?

You are insured against all sums which You become legally liable to pay in respect of accidental Injury sustained during the Period of Insurance by any Employee and arising out of and in the course of employment by You in connection with the Business within the Territorial Limits or elsewhere in the world where any Employee may be working temporarily provided that any action for damages is brought against You in a Court of Law within the Territorial Limits but not

- so far as concerns
  - i) liability of any principal
  - ii) liability assumed by You under agreement and which would not have attached in the absence of agreement
- liability directly or indirectly arising from
  - i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

The most We will pay under this Section for damages together with costs and expenses shown below in respect of any one claim against You or series of claims against You arising out of one event shall not exceed the amount shown in the Schedule Costs and expenses shall mean

- 1) costs and expenses of claimants for which You are legally responsible
- 2) all other costs and expenses You have to pay provided that We have agreed to pay such costs and expenses in writing
- 3) the legal costs of defending in any court of summary jurisdiction any proceedings brought against You in respect of a breach or alleged breach of any statutory duty resulting in Injury that may be the subject of a claim
- 4) the legal costs and expenses incurred with Our written consent and costs awarded against You arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that the proceedings relate to the health safety or welfare of any Employee but not
  - fines or penalties
  - legal costs or expenses insured by any other policy

## **2 Additional Persons Insured**

We will also insure in the terms of this Section

- i) Your legal personal representatives in the event of Your death
- ii) any principal in respect of the liability of such principal arising out of the performance by You or any agreement entered into by You for the performance of work for such principal to the extent required by such agreement

and if You so request

- iii) the owner or lessee of any Flat or Private Dwelling House
- iv) any of Your directors or Employees
- v) any of Your directors or senior officials in respect of private work undertaken by any Employee for such director or senior official

provided that

- a) the claim relates to Injury to an Employee and is such that You would have been entitled to an indemnity had the claim been made against You
- b) such persons observe the terms of the Policy insofar as they can apply
- c) We retain the sole conduct and control of all claims

## **3 Recovery of Payments**

The cover provided under this Policy Section is in accordance with the provisions of any law relating to the compulsory insurance of liability to Employees within the Territorial Limits but You shall repay to Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law

## **4 Vehicle Exclusion**

This Section does not provide an indemnity in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicle (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicle (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other compulsory Road Traffic Act legislation

## 5 Manslaughter Costs Extension

The indemnity provided by these Sections extends to include

- c) legal costs and expenses incurred by the Insured or any person entitled to indemnity with the prior written consent of the Company in

- i. The course of an investigation leading to the offence of
- ii. defending the Insured against criminal proceedings in connection with a charge of
- iii. an appeal against any conviction resulting from a prosecution for

manslaughter corporate manslaughter corporate homicide or culpable homicide as a result of any death happening during the Period of Insurance which may be the subject of indemnity under the Policy

- d) prosecution costs awarded against the Insured or any person entitled to indemnity as a result of any conviction for such an offence

Provided always that

- 3) The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one Period of Insurance
- 4) The Company shall not be liable to make any payment under this Extension in respect of
- h) the fees of any solicitor or counsel appointed by or on behalf of any person entitled to indemnity unless consent to the appointment has been agreed by the Company
  - i) fines or penalties or the cost of implementing any remedial order or publicity order
  - j) an appeal unless advice has been obtained from a Queen's Counsel that such appeal has strong prospect of success
  - k) an appeal against any fine penalty remedial order or publicity order
  - l) costs incurred as a result of the failure to comply with any remedial order or publicity order
  - m) costs and expenses insured by any other policy
  - n) any investigation or prosecution brought other than under the laws of Great Britain Northern Ireland the Channel Islands or the Isle of Man



## Section 5 – Terrorism

*Only applicable if this Section is shown as operative in the Schedule*

### **Definitions**

Wherever the following words and phrases appear in this Section they will always have these meanings Definitions that apply throughout Your Policy and not just this Section can be found on Pages 6 and 7 of Your Policy

### **Computer Systems**

Computer or other equipment or component or system or item which processes stores transmits or receives Data

### **Data**

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

### **Denial of Service Attack**

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

### **Hacking**

Unauthorised access to any Computer Systems whether the property of the Insured or not

### **Phishing**

Any access or attempted access to Data made by means of misrepresentation or deception

### **Terrorism**

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

## **Virus or similar mechanism**

Program code programming instruction or any set of instructions constructed with the purpose and ability or purposely used to damage interfere with adversely affect infiltrate or monitor computer programs Computer Systems Data or operations whether involving self-replication or not The definition of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage interfere with adversely affect infiltrate or monitor as above

## **What is Insured**

The cover provided under Sections 1 and 2 of this Policy is extended to include Damage to the property insured caused by happening through or as a result of Terrorism

All losses arising within 72 hours caused by Terrorism during the Period of Insurance will be treated as one loss and the Insured can decide when the 72 hour period starts as covered by this Section provided that all Damage occurs within the Period of Insurance and that no two periods overlap

## **What is not Insured**

### **Electronic Risks Exclusion**

We will not cover any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

1. damage to or the destruction of any Computer Systems
2. any alteration modification distortion erasure or corruption of Data

in each case 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

But this exclusion will not apply where the loss

A) results directly from fire explosion flood escape of water from any tank apparatus or pipe (including any sprinkler system) impact of aircraft or any aerial devices or articles dropped from them impact of any sea going or water going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such a vessel or vehicle destruction of damage to or movement of buildings or structures plant or machinery other than any Computer Systems

and

B) comprises

- i. the cost of reinstatement replacement or repair in respect of Damage to or destruction of property insured by You and/or
- ii. consequential loss suffered directly by You as a direct result of either Damage or destruction to property covered by this Policy or as a direct result of denial prevention or hindrance of

access to a Block of Flats or Private Dwelling House covered by this Policy as a result of Damage caused by Terrorism to property which is within one mile of the location

However under A) and B) above We will not cover You for any losses caused by Terrorism where the organisation involved or any persons acting on behalf of or in connection with that organisation are controlled by acting on behalf of or part of any de jure or de facto government of any nation country or state

Subject only to the proviso set out in C) below the following property is specifically excluded from the cover provided under A) and B) above

- (i) money currency electronic cryptographic or virtual currency including Bitcoin or anything similar negotiable or non-negotiable instruments financial securities or any financial instrument of any sort whatever

and

- (ii) Data

- C) However in circumstances where loss otherwise falling within this section results indirectly from any alteration modification distortion erasure or corruption of Data because the occurrence of a peril or perils detailed under A) above results from any alteration modification distortion erasure or corruption of Data then notwithstanding (ii) above such loss shall nonetheless be covered

#### **Excluded property exclusion**

We will not cover You for any losses directly or indirectly caused by or resulting from loss destruction or damage to any

1. property located outside England Wales and Scotland and property in the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987
2. nuclear installation or nuclear reactor
3. property which is specifically excluded elsewhere in this Policy

#### **Other Insurances Exclusion**

We will not cover You for any property which is insured by or would but for the existence of this Section be insured by any form of transit aviation or marine policy

#### **War Risks Exclusion**

We will not cover any claims caused by or happening through riot civil commotion war invasion act of foreign enemy hostilities (whether war is declared or not) civil war rebellion revolution insurrection or military or usurped power

## **Section Conditions**

These conditions of cover apply only to this Section If You do not comply with a condition You may not receive payment for a claim

### **Limitation of Liability Condition**

Our liability for all losses from any one event and in total in any one Period of Insurance will not exceed

1 the total Sums Insured or

2 for each item its individual Sum Insured or

3 any other limit of liability

whichever is the less as stated in Your Schedule

### **Proof of Cover Condition**

In any action lawsuit or other proceedings or where We state that any loss damage costs or expense is not covered by this Section it will be Your responsibility to prove that they are covered

# Special Clauses

*Clause 1 applicable only if the Clause number is entered in the schedule*

*Clause 2 applicable only if referred to in the schedule*

## **1 Temporary Cover**

The first premium has been calculated to take into account the cost of temporary cover (in accordance with particulars lodged with Us) pending this Policy being issued

# Exclusions

## **1 War and Nuclear Risks**

Sections 1 2 and 3 of this Policy do not cover

- a) damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any legal liability of whatsoever nature directly or indirectly caused by or arising from
  - i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - ii) the radioactive toxic or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- b) any claims caused by or happening through war invasion act of foreign enemy hostilities (whether war is declared or not) civil war civil rebellion warlike operations revolution insurrection or military or usurped power confiscation nationalisation requisition seizure or destruction or damage to property by or under the order of any government or public or local authority

## **2 Date Recognition**

Sections 1 2 and 3 of this Policy shall not apply to any claim directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000

- i) correctly to recognise any date as its true calendar date
- ii) to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date

- iii) to capture save or retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date

but this shall not exclude in respect of Sections 1 (Buildings) & 2 (Contents) subsequent Damage not otherwise excluded which itself results from fire lightning explosion theft aircraft or other aerial devices or articles dropped therefrom riot civil commotion labour and political disturbances and strikes malicious damage earthquake storm Flood escape of water from any tank apparatus or pipe or impact by any road vehicle train or animal provided such contingency is insured by the Section

### **3 Pressure Waves**

Sections 1 and 2 of this Policy do not cover Damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

### **4 Diminution of Value**

Sections 1 and 2 of this Policy do not cover diminution of market value beyond the cost of repair or replacement

### **5 Pollution and Contamination**

- a) Section 3 of this Policy excludes all liability in respect of Pollution or Contamination other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place
- b) Our liability under Section 3 of this Policy for all compensation payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the Limit of Indemnity stated in the schedule

For the purpose of this Exclusion Pollution or Contamination shall be deemed to mean

- i) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere  
and
- ii) all loss or damage or injury directly or indirectly caused by such Pollution or Contamination

### **6 Pre-existing Damage Liability or Injury**

This Policy does not cover Damage liability or Injury occurring before the cover under Your Policy started

## **7 Terrorism Exclusion**

### **Applicable to sections 1 and 2**

This Policy does not cover loss damage cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with

1. for England Scotland Wales the Channel Islands and the Isle of Man
  - a) Any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - b) Any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
2. for Northern Ireland
  - a) Any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - b) Any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
  - c) Riot civil commotion and (except for Damage or loss caused by fire or explosion) strikers locked out workers or persons taking part in labour disturbances or malicious persons

If We allege that by reason of this exclusion any loss damage cost or expense is not covered by these Sections of the Policy the burden of proving the contrary shall be upon You In the event any portion of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect

### **Definition – Terrorism**

For England Scotland and Wales acts of any 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 Majestys Government in the United Kingdom or any other government de jure or de facto

For Northern Ireland an act including but not limited to the use of force or violence and or 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 put the public or any section of the public in fear

For the Channel Islands and the Isle of Man an act of any person(s) 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 any government de jure or de facto

### **Applicable only to Section 3**

The liability of the Company for all damages costs and expenses payable in respect of all occurrences of a Terrorist Act during any one Period of Insurance shall not exceed in the aggregate the sum of £2,000,000

Provided that if the monetary amount of the Limit of Indemnity stated in the Schedule is less than £2,000,000 then such lesser monetary amount shall apply as the Company's maximum liability for all damages costs and expenses payable in respect of all occurrences of a Terrorist Act during any one Period of Insurance

For the purposes of this Exclusion Terrorist Act means any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat force or violence or other means

### **Applicable only to Section 4**

The liability of the Company under this Section for damages costs and expenses payable in respect of any one claim against the Insured or series of claims against the Insured arising out of one event shall not exceed £5,000,000 This limitation shall only apply in respect of any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from a Terrorist Act

For the purposes of this Exclusion Terrorist Act means any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat force or violence or other means

## **8 Electronic Risks Exclusion**

Sections 1 and 2 of this Policy do not cover

Any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

damage to or the destruction of any Computer Systems or

any alteration modification distortion erasure or corruption of Data

in each case 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

but this shall not exclude subsequent Damage not otherwise excluded which itself results from Perils Insured a) – j) in Section 1 and a) – i) in Section 2 except for damage caused by malicious persons other than thieves

### **Definitions**

For the purposes of this Exclusion the following Definitions apply



## **Computer Systems**

Computer or other equipment or component or system or item which processes stores transmits or receives Data

## **Data**

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

## **Denial of Service Attack**

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

## **Hacking**

Unauthorised access to any Computer Systems whether the property of the Insured or not

## **Phishing**

Any access or attempted access to Data made by means of misrepresentation or deception

## **Virus or Similar Mechanism**

Program code programming instruction or any set of instructions constructed with the purpose and ability or purposely used to damage interfere with adversely affect infiltrate or monitor computer programs Computer Systems Data or operations whether involving self-replication or not The meaning of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage interfere with adversely affect infiltrate or monitor as above

## **9 Excess Clause**

We shall not be liable for the amount shown in the schedule against any Peril of each and every loss after the application of any Condition of average

## **10 Disease Exclusion**

This Exclusion applies to Section 1 – Buildings of the Flats and Section 2 - Contents of the Communal Parts

1. Notwithstanding any provision to the contrary within this Policy except for any cover provided under Section 3 – Public Liability Section 4 Employers Liability and Section 5 - Terrorism this Policy excludes any loss damage liability claim cost or expense of whatsoever nature directly or indirectly caused by contributed to by resulting from arising out of or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto
2. Subject to the other terms conditions and exclusions applicable to this Policy these Sections will cover physical damage to property insured and any Time Element Loss directly resulting therefrom where such physical damage or Time Element Loss is covered by the Policy and is directly caused by or arising from any of the following perils: fire lightning explosion aircraft or other aerial devices or articles dropped from them or impact by any road vehicle or animal storm earthquake flood subsidence landslip landslide riot riot attending a strike civil commotion vandalism and malicious damage theft escape of water from any tank apparatus or pipe leakage of oil from any fixed domestic oil heating installation

Definitions

For the purposes of this Exclusion the following Definitions apply

### **Communicable**

Any disease which can be transmitted by means of any substance or agent from any organism to another organism where

- i) the substance or agent includes but is not limited to a virus bacterium parasite or other organism or any variation thereof whether deemed living or not and
- ii) the method of transmission whether direct or indirect includes but is not limited to airborne transmission bodily fluid transmission transmission from or to any surface or object solid liquid or gas or between organisms and
- iii) the disease substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to deterioration of loss of value of marketability of or loss of use of property

### **Time Element Loss**

Business interruption contingent business interruption or any other consequential losses

## **11 Asbestos Exclusion**

The indemnity under Section 3 – Public Liability of this Policy will not apply to legal liability directly or indirectly arising from or contributed to by

- A) inhalation and/or ingestion of asbestos or exposure to asbestos or the existence of or the harmful nature of asbestos or health hazards associated with asbestos or any allegation or concern in relation thereto
- B) the presence of asbestos in any building and/or structure and/or on land and/or in the ground or the removal or mitigation of such asbestos or any obligation to investigate control or take action in respect of such asbestos

It is further agreed that this insurance shall not apply to

- i) any obligation to defend any claim proceedings or suit brought against the Insured
- ii) costs or expenses of whatsoever nature

as a result of any matter referred to in paragraphs A) or B) above

The term asbestos shall include asbestos asbestos fibres derivatives of asbestos or any substance or compound containing asbestos or asbestos waste

# Policy Conditions

## 1 Fair Presentation of Risk

You have a duty to make a fair presentation of the risk which You wish to insure This applies at the start of Your Policy if any variation is required and at each renewal If You do not comply with this condition then

- 1) If the failure to make a fair presentation of the risk is deliberate or reckless We can elect to make Your Policy void and keep the premium This means treating the Policy as if it had not existed and that We will not return premiums paid to Us or
- 2) If the failure to make a fair presentation of the risk is not deliberate or reckless and We would not have provided cover had You made a fair presentation then We can elect to make Your Policy void and return premiums paid by You to Us or
- 3) If the failure to make a fair presentation of the risk is not deliberate or reckless and We would have issued cover on different terms had You made a fair presentation of the risk then We can
  - a) reduce proportionately any amount paid or payable in respect of a claim under Your Policy using the following formula We will divide the premium actually charged by the premium which We would have charged had You made a fair presentation and calculate this as a percentage The same percentage figure will be applied to the full amount of the claim to arrive at the proportion of the claim to be paid or payable and/or
  - b) treat Your Policy as if it had included such different terms (other than payment of the premium) as We would have imposed had You made a fair presentation
- 4) Where We elect to apply one of the above then
  - a) if We elect to make Your Policy void this will be from the start of the Policy or the date of variation or from the date of renewal
  - b) We will apply the formula calculated by reference to the premium that would have been charged to claims from the start of the Policy or the date of variation or from the date of renewal
  - c) We will treat the Policy as having different terms imposed from the start of the Policy or the date of variation or from the date of renewal

depending on when the failure to make a fair presentation occurs

## 2 Reasonable Care

You must take reasonable steps to

- 1) Prevent or protect against injury loss or damage
- 2) Keep Your premises machinery plant and equipment and all other property insured in good condition and in full working order
- 3) Remedy any defect or any danger that becomes apparent as soon as possible

If required by Us You must allow access to Your premises and/or activities of Your Business to carry out inspection or survey You must complete any risk improvements that We ask for within a reasonable period of time advised by Us

### **3 Cancellation**

- 1) You may cancel Your Policy within 14 days of receiving Your Policy in the first Period of Insurance if for any reason You are dissatisfied or the Policy does not meet Your requirements
- 2) You may cancel Your Policy at any time if the Business is sold by You or You cease trading or You sell all the property insured shown in Your schedule
- 3) We can cancel Your Policy
  - a) at any time by giving 21 days written notice to Your last known address
  - b) immediately without giving You notice if the premium has not been paid to Us

Where Your Policy is cancelled in accordance with any of the above provisions We will refund part of the premium paid proportionate to the unexpired Period of Insurance following cancellation provided that no claim has been paid or is outstanding in the current Period of Insurance

Cancellation of Your Policy will not affect any claims or rights You or We may have before the date of cancellation

We do not have to offer renewal of Your Policy and cover will cease on the expiry date

### **4 Policy Administration Fees Condition**

We may charge You an administration fee if We

- i. make any changes to the Policy on Your behalf
- ii. agree to cancel the Policy or
- iii. are requested to print and re-send the Policy documents to You

We will not make a charge without informing You

### **5 Instalments**

If the premium on this Policy is payable by an instalment facility and You fail to pay a premium instalment on the date due this will result in Your Policy being cancelled from the date the missed instalment was due You will not be entitled to any return of premium where this happens

If a claim has been made or there has been any incident likely to lead to a claim during the current Period of Insurance the annual premium remains due in full

### **6 Claims Notification Condition**

You must

- 1) As soon as practical
  - a) give Us notice of any circumstances which might lead to a claim under Your Policy
  - b) give Us all the information We request
- 2) Immediately
  - a) on receipt send Us every letter court order summons or other legal document served upon You

- b) tell Us about any prosecution inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential claim under Your Policy
- c) notify the police of any loss or damage that has been caused by malicious persons thieves rioters strikers or vandals

### **7 Claims Procedures Condition**

1) You must take or allow others to take practical steps to prevent further injury loss or damage recover property lost and otherwise minimise the claim

2) At Your expense You must provide Us with

- a) full details in writing of any injury loss or damage and any further information We may reasonably require
- b) any assistance to enable Us to settle or defend a claim
- c) details of any other relevant insurances

3) You may not accept negotiate pay settle admit or repudiate any claim without Our written consent

4) Following a claim You must allow Us or anyone authorised by Us

- a) access to premises
- b) to take possession of or request delivery to Us of any property insured

5) You may not abandon any property to Us

6) We will be allowed complete control of any proceedings and settlement of the claim

### **8 Subrogation (our rights)**

We will be entitled to undertake in Your name or on Your behalf

1) the defence or settlement of any claim

2) steps to enforce rights against any other party before or after payment is made by Us

### **9 Contribution**

If a claim is made under Your Policy and there is other insurance cover for which You are or would be but for this Policy entitled to have a claim paid under the other insurance

We will at Our option either pay

1) a proportionate share of the claim

or

2) an amount beyond that which is or would be payable under other insurance

### **10 Arbitration**

If We admit liability for a claim but You cannot agree with Us the amount to be paid the disagreement will be referred to an arbitrator appointed jointly by You and Us in accordance with the law in force at the time You will not be able to take action in law against Us over this disagreement until the arbitrator has made his award

This condition does not apply to the Public Liability and Employers Liability Sections of the Policy

## **11 Fraud**

You and anyone acting for You must not act in a fraudulent way

If You or anyone acting for You

- i. Knowingly makes a fraudulent or exaggerated claim under Your Policy
- ii. Knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine) or
- iii. Knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine)

We will

- a) refuse to pay the claim
- b) terminate the Policy from the date of the fraudulent act

We may also inform the police of the circumstances

## **12 Alteration**

You must tell Us as soon as possible during the Period of Insurance but in any event within 30 days of any change

- i. to the Business
- ii. in the person firm company or organisation shown in Your schedule as the Insured
- iii. to the information You provided to Us previously or any new information that increases the risk of loss as insured under any Section of Your Policy

We do not have to accept any request to vary Your Policy If You wish to make any alteration to Your Policy You must disclose any change to the information You previously provided or any new information that could affect this insurance If We accept any variation to Your Policy an increase in the premium or different terms or conditions of cover may be required by Us

Your Policy will cease to be in force and void (meaning it no longer exists) from the date of alteration unless We agree in writing to accept the alteration

## **13 Conditions Precedent**

It is a condition precedent to any liability on the part of the Company under this Policy that the terms hereof so far as they relate to anything to be done or complied with by the Insured are duly and faithfully observed

If on the happening of a loss You are not complying with the requirements of any condition and the condition is designed to reduce a loss of a particular kind at a particular location and/or at a particular time and You are able to prove that the non-compliance with the condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred You will be covered and We will pay the claim

## **14 Sanctions Condition**

This contract of insurance is subject to sanction prohibition or restriction under United Nations resolutions It is a condition of Your Policy that We will not provide cover or pay any claim or provide any benefit under Your Policy to the extent that the provision of such cover payment of such claim or provision of such benefit would expose Us or our parent subsidiary or any AXA group member

company to any trade or economic sanctions or violate any laws or regulations of the United Kingdom the European Union the United States of America or any other territory



# Making a Complaint

*AXA Insurance aims to provide the highest standard of service to every customer*

*If Our service does not meet Your expectations We want to hear about it so We can try to put things right*

*All complaints We receive are taken seriously Following the steps below will help Us understand Your concerns and give You a fair response*

## **How to make Your complaint**

The majority of complaints can be resolved quickly and satisfactorily by the department You are dealing with. If Your complaint relates to a claim on Your Policy, please contact the department dealing with Your claim. If Your complaint relates to anything else, please contact the agent or AXA office where Your Policy was purchased.

Telephone contact is often the most effective way to resolve complaints quickly.

Alternatively You can write to Us at

AXA Insurance  
Commercial complaints  
AXA House  
4 Parklands  
Lostock  
Bolton  
BL6 4SD  
Tel 01204 815359

Email [commercial.complaints@axa-insurance.co.uk](mailto:commercial.complaints@axa-insurance.co.uk)

When You make contact please tell Us the following information

- Name, address and postcode, telephone number and e-mail address (if You have one)
- Your policy and/or claim number and the type of policy You hold
- The name of Your insurance agent/firm (if applicable)
- The reason for Your complaint

## **Beyond AXA**

Should You remain dissatisfied following Our final written response You may be eligible to refer Your case to the Financial Ombudsman Service (FOS)

The FOS is an independent body that arbitrates on complaints about general insurance products

The FOS can only consider Your complaint if We have given You Our final decision

You have six months from the date of Our final response to refer Your complaint to the FOS This does not affect Your right to take legal action

Financial Ombudsman Service

Exchange Tower

Harbour Exchange Square

London

E14 9SR

Tel 0800 023 4567\*

Tel 0300 123 9123\*\*

Fax 020 7964 1001

Email [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Web [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

\* free for people phoning from a 'fixed line' (for example a landline at home)

\*\* free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

The European Commission has also provided an Online Dispute Resolution Service for logging complaints To use this service please go to <http://ec.europa.eu/odr>

## **Our promise to You**

We will

- Acknowledge written complaints promptly
- Investigate Your complaint quickly and thoroughly
- Keep You informed of progress of Your complaint
- Do everything possible to resolve Your complaint
- Learn from Our mistakes
- Use the information from complaints to continuously improve Our service

Telephone calls may be monitored and recorded

## **Financial Services Compensation Scheme (FSCS)**

AXA Insurance UK plc are covered by the Financial Services Compensation Scheme (FSCS) You may be entitled to compensation in the unlikely event We cannot meet Our obligations to You This depends on the type of insurance size of the business and the circumstances of the claim Further information about the compensation scheme arrangements is available from the FSCS ([www.fscs.org.uk](http://www.fscs.org.uk))

## **Legal and tax advice complaints**

If You have a complaint about the telephone legal or tax advice services You should contact Arc Legal Assistance Ltd who will liaise with Irwin Mitchell Solicitors

Arc Legal Assistance Ltd  
The Gatehouse Lodge Park  
Lodge Lane  
Colchester Essex CO4 5NE

Tel 0344 770 9000

If You are unhappy with the written response from Arc Legal Assistance Ltd You may contact the Legal Ombudsman at

PO Box 6806  
Wolverhampton  
WV1 9WJ

Tel 0300 555 0333

Web [www.legalombudsman.org.uk](http://www.legalombudsman.org.uk)

The Legal Ombudsman will only consider matters which have been submitted to it within the earliest of the following timescales

- a) within one year from the act/omission complained of
- b) within one year from when the client should reasonably have known there was cause for a complaint without taking advice from a third party and
- c) within six months of the client receiving a written reply from Arc Legal Assistance Ltd concerning the complaint



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Tel: 0345 3702842 Fax: 0345 3702849

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Registered Office 20 Gracechurch Street, London EC3V 0BG

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Telephone calls may be monitored and recorded

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