

# Residents Insurance Services

## Property Owners Policy





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# Introduction

This Policy is a contract of insurance between the INSURED and the INSURER by which the INSURER agrees to cover the INSURED in respect of the risks set out in the Sections of this Policy shown as insured on the Schedule, subject to the terms, conditions and exclusions of this Policy and in consideration of the INSURED paying or agreeing to pay the premium.

This Policy is made up of a number of documents which must be read together. The INSURED should read carefully all documents that the INSURER has provided and contact RIS immediately if this Policy does not meet their needs.

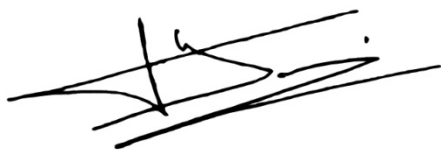
## **The INSURER's Liability**

If the INSURED comprises more than one insured party each operating as a separate and distinct entity then cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each insured party

Provided that the total liability of the INSURER to all of the insured parties collectively shall not exceed the Sums Insured and Limits of Indemnity including any inner limits set up by memorandum or endorsement stated in the Policy

It is understood and agreed that any payment or payments by the INSURER to any one or more such insured parties shall reduce to the extent of that payment the INSURER's liability to all such parties arising from one EVENT giving rise to a claim under this Policy

This Policy has been signed for and on behalf of the INSURER,



Francois-Xavier Boisseau  
CEO, Insurance  
Ageas Insurance Limited

## **Ageas Insurance Limited**

*Registered address:*

Ageas House, Hampshire Corporate Park, Templars Way, Eastleigh, Hampshire, SO53 3YA

[www.ageas.co.uk](http://www.ageas.co.uk)

Registered in England and Wales No 354568

Ageas Insurance Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services Register No 202039.

# Important Notice

The INSURED has a duty to make a fair presentation of all material facts and circumstances to the INSURER. Providing the INSURER with inaccurate information or failing to tell the INSURER of anything which may increase the risk may invalidate this Policy or lead to claims not being paid or being paid in part only.

To assist the INSURED's understanding of which facts and circumstances are material to the INSURER, here are some key examples:

- **Who the Insured is** – the legal entity that owns the BUSINESS
- **Business status** – e.g. sole proprietor, partnership, limited company, residents' management company, trustees, etc.
- **Business Premises** – the type of construction, nature of occupancy and also the rebuilding or replacement values applicable to the property
- **What the Insured does** – the description of the BUSINESS as shown on the Schedule
- **Personal and business history** – the previous history relating to proprietors, partners or directors or their business, e.g. previous bankruptcies, company liquidations, convictions, claims, etc.

Other facts will be shown on the proposal form or statement of fact. If the INSURED is in any doubt or requires clarification of what must be declared to the INSURER, the INSURED should discuss this with RIS.

This Policy does not cover maintenance of the INSURED's property. That means the INSURER will not cover the cost of wear and tear or routine maintenance. The INSURER expects the INSURED to properly maintain their property, but the cost of this remains the INSURED's responsibility. The INSURED has a duty to keep their property safe, secure and in good repair, and take all practical steps to avoid loss or DAMAGE.

The INSURED should also take all reasonable care to prevent accidents, INJURY or disease. In particular the INSURED should:

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

# Customer Service

The Policy we have arranged for you has been placed with Ageas Insurance Limited (the INSURER) who has confirmed their commitment to customer care.

RIS monitor the INSURER's performance on your behalf to ensure they meet their aim to provide a trouble free service for you.

RIS is authorised and regulated by the Financial Conduct Authority (FCA). Our Financial Services Register number is 309410. You may check this on the Financial Services Register by visiting the FCA's website, <http://www.fca.org.uk/register>.

## Privacy Notice

The INSURER is part of the Ageas group of companies. The details provided here are a summary of how the INSURER and RIS collect, use, share, transfer and store the INSURED's information. For the INSURER's full Privacy Policy please visit the INSURER's website, [www.ageas.co.uk](http://www.ageas.co.uk) or contact the INSURER's Data Protection Officer at: Ageas House, Hampshire Corporate Park, Templars Way, Eastleigh, Hampshire, SO53 3YA or by emailing [thedpo@ageas.co.uk](mailto:thedpo@ageas.co.uk).

For RIS' full Privacy Policy, please visit RIS' website: [www.residentsinsurance.co.uk/privacy-policy](http://www.residentsinsurance.co.uk/privacy-policy)

## Collecting the INSURED's information

The INSURER and RIS collect a variety of information about the INSURED including personal information such as the INSURED's name, address, contact details, date of birth and IP address (which is a unique number identifying the INSURED's computer). Where relevant, the INSURER and RIS also collect sensitive personal information such as details regarding the INSURED's health, credit history and/or criminal convictions.

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

## Using the INSURED's information

The main reason the INSURER and RIS collect the INSURED's personal and/or sensitive information is because the INSURER and RIS need it to provide the INSURED with the appropriate insurance quotation, policy and price as well as manage the INSURED's policy such as handling a claim or issuing documentation to the INSURED. The INSURER's and RIS' assessment of the INSURED's insurance application may involve an automated decision to determine whether the INSURER and RIS are able to provide the INSURED with a quotation and/or the price. If the INSURED objects to this being done, then the INSURER and RIS will not be able to provide the INSURED with insurance.

The INSURER and RIS will also use the INSURED's information where the INSURER and RIS feel there is a justifiable reason for doing so, for example: to prevent and detect fraud and financial crime (which may include processes which profile the INSURED); collecting information regarding the INSURED's past policies; carrying out research and analysis (including profiling); and recording and monitoring calls.

There may be situations where the INSURER and RIS will only use the INSURED's information if the INSURED have given the INSURER and RIS permission such as using or collecting sensitive information. If the INSURED have given the INSURER and RIS such information about someone else, the INSURED would have confirmed that the INSURED have their permission to do so.

## Sharing the INSURED's information

The INSURER and RIS share the INSURED's information with a number of different organisations which include, but are not limited to: other insurers; regulatory bodies; carefully selected third parties providing a service to the INSURER or RIS or on the INSURER's or RIS' behalf; fraud prevention and credit reference agencies and other companies, for example, when the INSURER or RIS are trialling their products and services which the INSURER or RIS thinks may improve their service to the INSURED or their business processes.

# Customer Service (Continued)

## Privacy Notice (Continued)

Unless required to by law, the INSURER and RIS would never share the INSURED's personal data without the appropriate care and necessary safeguards being in place.

### **Keeping the INSURED's information**

The INSURER and RIS will only keep the INSURED's information for as long as is necessary in providing their products and services to the INSURED and/or to fulfil their legal and regulatory obligations. Please refer to the INSURER's and RIS' full Privacy Policies for more information.

### **Use and storage of the INSURED's information overseas**

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

### **The INSURED's rights**

The INSURED has a number of rights in relation to the information the INSURER and RIS hold about the INSURED. These rights include but are not limited to: the right to a copy of the INSURED's personal information the INSURER and RIS hold; object to the use of the INSURED's personal information; withdraw any permission the INSURED has previously provided and complain to the Information Commissioner's Office at any time if the INSURED is not satisfied with the INSURER's or RIS' use of their information. For a full list of the INSURED's rights please refer to the INSURER's full Privacy Policy.

Please note that there are times when the INSURER or RIS will not be able to delete the INSURED's information. This may be as a result of fulfilling the INSURER's or RIS' legal and regulatory obligations or where there is a minimum, statutory, period of time for which the INSURER or RIS has to keep the INSURED's information. If the INSURER or RIS is unable to fulfil a request, the INSURER or RIS will always let the INSURED know their reasons.

# Customer Service (Continued)

## What to do if you have a complaint

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

If your complaint is about the way this Policy was sold to you, please contact your account handler at RIS to report your complaint. Correspondence, which should quote the Policy number, should be sent to the following address:

Managing Director  
Residents Insurance Services Limited  
UPS Building, Regis Road  
London  
NW5 3EW

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

Alternatively, for claims or any other type of complaint, you can write to Ageas Insurance Limited at the address shown below or email them through their website at [www.ageas.co.uk/complaints](http://www.ageas.co.uk/complaints) (please include your Policy number and claim number if appropriate).

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

Ageas and RIS will try to resolve your complaint by the end of the third working day. If they are unable to do this, they will write to you within five working days to either:

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

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

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



# Customer Service (Continued)

## What to do if you have a complaint (Continued)

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

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

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

Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR

More information can be found at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

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

## Financial Services Compensation Scheme

In the event that Ageas Insurance Limited and/or RIS are unable to meet their liabilities you may be entitled to compensation from the Financial Services Compensation Scheme. This depends on the type of insurance, the size of your business and the circumstances of the claim.

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

# How to Make a Claim

If anything happens which may result in a claim being made:

Contact Cunningham Lindsey on 0345 609 9230 or email [RISclaims@cl-uk.com](mailto:RISclaims@cl-uk.com) as soon as possible, quoting your Policy number in full (including any letters before and after the numbers). Their office hours are 08:00 to 18:00. If you wish to report a claim out of hours or need emergency assistance please call Cunningham Lindsey's emergency out of hours department on 0345 604 8580. Alternatively you can write to Cunningham Lindsey, Property Owners Unit, 225 Bath Street, Glasgow, G2 4GZ. Claim forms are no longer necessary, your claim can be submitted over the phone. However, if you'd prefer, a claim form is available on request.

## Do

- Have details of your Policy number ready when notifying Cunningham Lindsey. You can find the Policy number on the Schedule.
- Report any incidence of loss of money, theft or attempted theft or DAMAGE by malicious persons to the police immediately. You should obtain a crime reference number (not an incident reference number) from them if a crime has been committed.
- Carry out temporary repairs to your PROPERTY to prevent further loss. Please retain all invoices for work carried out.
- Notify Cunningham Lindsey of any claim or any incident which may lead to a claim as soon as possible. The sooner we are involved, the more opportunity we have to resolve the claim to your satisfaction. You must notify Cunningham Lindsey within seven days if the incident relates to DAMAGE by riot, civil commotion, labour or political disturbances, malicious persons or theft or attempted theft.
- Ensure that any letter or notice received is sent to Cunningham Lindsey immediately unanswered and unacknowledged.
- You must also send Cunningham Lindsey unanswered and unacknowledged any written claim, writ, summons or other document relating to a claim and tell them of any pending prosecution, coroner's inquest or fatal accident inquiry and give them full details of any verbal claims made against you.
- Any injury to an EMPLOYEE should be reported to Cunningham Lindsey regardless of whether a formal claim has been made against you. They can then decide whether they need to investigate or provide advice to you.

## Don't

- Dispose of any evidence or damaged items - Cunningham Lindsey or your INSURER may wish to see them.
- Wait for estimates to be obtained for work to be carried out before notifying Cunningham Lindsey of a claim.
- Admit or deny responsibility for any incident involving INJURY to others or DAMAGE to their PROPERTY.

## What we will need

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

- Proof of ownership i.e. original purchase invoices, bank account statements or other similar evidence.
- Any available photographs, taken before and after the event, showing the PROPERTY would be useful.
- An estimate for the replacement of lost, damaged or stolen items or, if the item cannot be repaired, a letter or a report from an independent expert confirming this and the cause of the DAMAGE. In some instances, we may require two estimates for the replacement of lost, damaged or stolen items for comparison purposes

# Definitions

Wherever the following words appear in the Policy in CAPITAL letters they will have the same special meaning as set out below

## **APPOINTED REPRESENTATIVE**

The solicitor or other suitably qualified person appointed to act for the INSURED

## **BUILDINGS**

The buildings at the PREMISES including

1. landlords fixtures and fittings whether internal or external (including fixed glass)
2. outbuildings extensions annexes fixed storage tanks septic tanks gangways conveniences yards forecourts car parks driveways garages roads service areas pedestrian ways malls and pedestrian access bridges pavements lamp posts and street furniture swimming pools and tennis courts
3. walls gates fences hedges
4. telephone gas water and electric installations piping ducting cables and wires including those laid underground and associated control gear and accessories on the PREMISES and extending to the public mains and for which the Insured is responsible
5. trees shrubs plants turf ponds lakes fountains landscaping garden furniture and ornaments and gardening equipment
6. fixtures and fittings formerly the PROPERTY of TENANTS whether internal or external surrendered to

belonging to or for which the INSURED is responsible

## **BUSINESS**

The BUSINESS of the INSURED as shown on the Schedule and conducted solely from the PREMISES including

1. the provision and management of catering social sports and welfare organisations for EMPLOYEES
2. the maintenance of the BUILDINGS and the plant and equipment at the PREMISES
3. the occupation and or use of the PREMISES by the INSURED and/or the MANAGING AGENT
4. the supply of products for use in connection with the maintenance of the PREMISES
5. the provision of services to TENANTS
6. private work undertaken with the INSURED's consent by an EMPLOYEE for any director partner or EMPLOYEE of the INSURED
7. the INSURED's fire security first aid and ambulance services
8. the INSURED's sponsorship of events or involvement in galas carnivals fetes corporate hospitality or exhibitions happening at the PREMISES

## **CONSEQUENTIAL LOSS**

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

1. loss of revenue
2. loss of earnings
3. additional travel costs
4. loss assessor fees
5. the cost of preparing a claim
6. compensation for stress or inconvenience.

## **CONTENTS OF COMMON PARTS**

Contents of common parts including furniture furnishings carpets decorations potted plants tree shrubs video audio and building management and security systems and equipment and seasonal items introduced to shopping centres

# Definitions (Continued)

## **CONTRACT WORKS**

Temporary or permanent works executed or in the course of execution at the PREMISES by or on behalf of the INSURED for the purposes of alterations or improvements to the PREMISES including unfixed site materials for use in connection therewith

## **COURT**

A court tribunal or other appropriate authority

## **DAMAGE**

Loss destruction or damage

## **DATA**

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

## **DECLARED VALUE**

The amount shown on the Schedule representing the INSURED's assessment of the cost of each building including professional fees the cost of removing debris and the cost of complying with European Union legislation Act of Parliament or with byelaws of any public authority at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently)

## **DENIAL OF SERVICE ATTACK**

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

## **EMPLOYEE**

Any person who is

1. a director or partner of the INSURED
2. employed by the INSURED under a contract of service or apprenticeship
3. an officer member or EMPLOYEE of the INSURED's catering social sports or welfare organisations or first aid fire security or ambulance services
4. a labour master or a person supplied by them
5. employed by labour only subcontractors
6. a self employed person
7. a driver and/or operator of plant hired to the INSURED
8. hired or borrowed by the INSURED
9. a voluntary worker
10. gaining work experience
11. a prospective employee who is undergoing practical work experience while being assessed by the INSURED as to their suitability for employment

while under the direct control and supervision of the INSURED in connection with the BUSINESS

## **EVENT**

Any one event or all events of a series consequent on or attributable to one source or original cause

## **EXCESS**

The amount or amounts shown in the Policy or on the Schedule which the INSURER will deduct from each and every claim at each separate location after all other terms and conditions have been applied

# Definitions (Continued)

## **GEOGRAPHICAL LIMITS**

1. The TERRITORIAL LIMITS
2. A country which is a member of the European Union but only in respect of temporary business carried out by the INSURED and any EMPLOYEE normally resident in the TERRITORIAL LIMITS
3. Elsewhere in the world in respect of temporary business journeys by any person normally resident in the TERRITORIAL LIMITS which does not involve manual labour or the supervision of manual labour

## **GREAT BRITAIN**

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

## **HACKING**

Unauthorised access to any computer or other equipment or component or SYSTEM or item which processes stores transmits receives or retrieves DATA whether the property of the INSURED or not

## **INDEMNITY PERIOD**

The period beginning with the occurrence of the DAMAGE and ending not later than the maximum number of months thereafter shown on the Schedule during which the results of the BUSINESS shall be affected in consequence of the DAMAGE

## **INJURY**

Bodily injury including but not limited to illness death disease mental injury mental anguish shock

## **INSURED**

The person, persons or company shown on the Schedule as 'The Insured' and includes subsidiary companies notified to and agreed as accepted by the INSURER

## **INSURED INCIDENT**

Unauthorised occupancy of any BUILDINGS insured under Section 1 Property Damage of the Policy by a party other than one named on the TENANCY AGREEMENT

## **INSURER**

Ageas Insurance Limited

## **LEGAL EXPENSES**

Fees costs and disbursements incurred by the APPOINTED REPRESENTATIVE with the consent of the INSURER together with the costs of any other party involved in the LEGAL PROCEEDINGS provided the INSURED is legally responsible for such costs. This includes costs incurred in an out of court settlement to which the INSURER has agreed but does not include any damages fines or penalties the INSURED has to pay

## **LEGAL PROCEEDINGS**

A legal action to protect the INSURED's rights in a dispute

## **MANAGING AGENT**

Any firm or practice retained by the INSURED for the purpose of managing the PREMISES Insured

# Definitions (Continued)

## **PERILS**

Fire lightning explosion earthquake aircraft or other devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons theft storm flood escape of water or oil from any tank apparatus or pipe accidental escape from any automatic sprinkler installation impact by any road or rail vehicle (including any fork lift truck or other industrial vehicle) or animal subsidence ground heave or landslip

## **PHISHING**

Any access or attempted access to DATA or information made by means of misrepresentation or deception

## **POLLUTING OR CONTAMINATING SUBSTANCE**

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

## **POLLUTION OR CONTAMINATION**

- a all pollution or contamination of buildings or other structures or of water or land or the atmosphere
- b all INJURY, DAMAGE or liability directly or indirectly caused by such pollution or contamination arising from any POLLUTING OR CONTAMINATING SUBSTANCE

## **PREMISES**

The premises insured shown on the Schedule owned rented leased used or borrowed by the INSURED for the purposes of the BUSINESS

## **PRINCIPAL**

Any party (other than any director or partner of the INSURED or EMPLOYEE) on whose behalf the INSURED undertakes work or provides services in connection with the BUSINESS

## **PROPERTY**

Material property

## **RENT**

The money paid or payable to or by the INSURED for tenancies and other charges and for services rendered in the course of the BUSINESS at the PREMISES

## **RIS**

Residents Insurance Services Limited

## **SENIOR MANAGER**

Any person(s) within the BUSINESS:

- a with responsibility for arranging the insurances for the BUSINESS, and/or
- b who play a significant role in the making of decisions about how the activities of the BUSINESS are to be managed or organised.

For the purposes of this definition only, this also includes the same role in any other business.

## **SYSTEM**

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

# Definitions (Continued)

## **TENANCY AGREEMENT**

An agreement with a TENANT to occupy a property in return for the payment of RENT

## **TENANT**

Applicable to all Sections except Section 6

Any company organisation or person who is the owner occupier lessor licensee or lessee of whatsoever status of any PREMISES and in respect of private dwellings or flats any member of the family or servants permanently living with them at the BUILDINGS

Applicable to Section 6 - Eviction of Unauthorised Occupants only

The party whose name is stated on the TENANCY AGREEMENT

## **TERRITORIAL LIMITS**

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

## **TERRORISM**

Any 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

## **TOTAL DECLARED VALUE**

The sum of all DECLARED VALUES for all BUILDINGS insured

## **UNAUTHORISED PERSONS**

Persons taking possession keeping possession or occupying the PREMISES without the INSURED's or their MANAGING AGENT's authority

## **UNOCCUPIED**

Empty or not in use for 45 or more consecutive days

## **VIRUS**

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

# Section 1 Property Damage

## The Cover

If any BUILDINGS or CONTENTS OF COMMON PARTS suffer DAMAGE by any cause not excluded the INSURER will pay to the INSURED the amount of loss in accordance with the provisions of the insurance

Provided that

1. the INSURER's liability in any one period of insurance shall not exceed in respect of each item on BUILDINGS and CONTENTS OF COMMON PARTS the Sum Insured and any other stated Limit of Liability
2. DAMAGE to BUILDINGS arising during any one period of 72 consecutive hours caused by Earthquake Storm or Flood shall be deemed as a single EVENT and the commencement of any 72 hour period shall be decided at the discretion of the INSURED it being understood that there shall be no overlapping in any two or more such 72 hour periods in the event of DAMAGE occurring over a more extended period of time

## Causes Excluded

The following are the causes excluded except as otherwise shown on the Schedule

### 1) DAMAGE

1. arising from nationalisation confiscation requisition seizure or destruction by order of the government or any public authority
2. arising from cessation of work

### 2) Explosion

DAMAGE caused by the bursting of any boiler or other plant which belongs to or is under the control of the INSURED and in which internal pressure is due to steam only

But this shall not exclude

1. DAMAGE caused by the explosion of:-
  - a. Any boiler
  - b. Gas

Used for domestic purposes only

2. Explosion of boilers and economisers on the PREMISES in respect of RENT only

### 3) Storm or Flood

DAMAGE

1. attributable solely to change in the water table level
2. caused by frost
3. to fences and gates unless caused by falling trees or there is DAMAGE to structural parts of the BUILDINGS insured by this section at the same time
4. to trees plants shrubs and turf unless there is DAMAGE to the BUILDINGS insured by this section at the same time

### 4) Theft or attempted theft losses which the INSURED is able to recover from another source



# Section 1 Property Damage (Continued)

## Causes Excluded (Continued)

### 5) Subsidence ground heave or landslip

#### DAMAGE

1. arising from the settlement or movement of made-up ground or by coastal or river erosion
2. resulting from
  - a. the construction demolition structural alteration or structural repair of any BUILDINGS
  - b. groundworks or excavation works at the PREMISES
3. arising from normal settlement or bedding down of new structures
4. commencing prior to the granting of cover under this insurance
5. to yards pipes cables wires ducting car parks roads pavements walls gates or fences unless a BUILDING insured by this Section is damaged by the same cause at the same time

### 6) All other DAMAGE

#### DAMAGE

1. to any PROPERTY caused by
  - a. its own faulty or defective design or materials
  - b. inherent vice latent defect gradual deterioration wear and tear
  - c. faulty or defective workmanship on the part of the INSURED or any of their EMPLOYEESbut this shall not exclude subsequent DAMAGE which itself results from a cause not otherwise excluded
2. caused by
  - a. corrosion rust wet or dry rot marring scratching vermin insects
  - b. joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
  - c. mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originatesbut this shall not exclude
  - a. such DAMAGE which itself results from other DAMAGE and is not otherwise
  - b. excluded subsequent DAMAGE which itself results from a cause not otherwise excluded
3. caused by
  - a. pollution or contamination unless arising in consequence of DAMAGE caused by or resulting in any PERILS
  - b. disappearance or unexplained loss
4. to
  - a. any BUILDING or structure caused by its own collapse or cracking unless it results from PERILS and is not otherwise excluded
  - b. any BUILDINGS or structure in course of construction or erection or undergoing structural alteration or repair unless the INSURED has entered into a JCT (Joint Contracts Tribunal) or similar Contract with regard to the extension alteration repair and/or refurbishment of any PREMISES insured then the insurance under this Section is extended to include such CONTRACT WORKS (including unfixed materials on site) where the estimated Contract Value at the commencement of the works does not exceed £100,000 and in respect of these Contracts Property Damage includes Contractors and/or Sub-Contractors of whatsoever tier as joint insureds where such interests are required to be included by the terms of the contract

# Section 1 Property Damage (Continued)

## Causes Excluded (Continued)

5. to trees shrubs plants and turf used in landscaping failing to germinate or become established
6. attributable solely to change in the water table level

## 7) TERRORISM

DAMAGE directly or indirectly caused by, contributed to by or arising from

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

except as provided by

- i. Extension 32 – Terrorism - Residential Property under this Section, or
- ii. Section 7 – Terrorism of this Policy, if such Section is shown as insured on the Schedule

In any action, suit or other proceedings, where the INSURER alleges that by reason of the provisions of this exclusion any DAMAGE is not covered by this Section, the burden of proving that such DAMAGE is covered shall be upon the INSURED.

## 8) CONSEQUENTIAL LOSS

## 9) Excess

The EXCESS shown on the Schedule applied separately to each EVENT at each separate PREMISES

## BUILDINGS — The Basis of Settlement

The amount payable in respect of the DAMAGE is in accordance with the Basis of Settlement defined below as may be applicable to the BUILDING suffering DAMAGE. The Policy Schedule will state which basis of settlement applies.

### 1. Indemnity Basis

The basis upon which the amount payable in respect of the BUILDINGS is to be calculated shall be the value of the BUILDINGS at the time of its DAMAGE or the amount of the DAMAGE whichever is the lower

The Sum Insured by this Section to which the Indemnity Basis applies (other than those applying solely to professional fees debris removal or private dwelling houses) is declared to be subject to the Underinsurance (Average) condition applicable to the Indemnity basis of settlement

Underinsurance (Average) Condition applicable to the Indemnity basis of settlement

If the total BUILDINGS Sum Insured shall at the commencement of any DAMAGE be less than 85% of the value of the BUILDINGS covered the amount payable by the INSURER in respect of such DAMAGE shall be proportionately reduced

### 2. Reinstatement Basis

The basis upon which the amount payable in respect of the BUILDINGS is to be calculated shall be the Reinstatement of BUILDINGS suffering DAMAGE

For this purpose Reinstatement means

- a. the rebuilding or replacement of BUILDINGS suffering DAMAGE which provided the liability of the INSURER is not increased may be carried out
  - i. in any manner suitable to the requirements of the INSURED
  - ii. upon another site

or

# Section 1 Property Damage (Continued)

## **BUILDINGS — The Basis of Settlement (Continued)**

- b. the repair or restoration of BUILDINGS suffering DAMAGE

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

The liability of the INSURER for the repair or restoration of BUILDINGS damaged in part only shall not exceed the amount which would have been payable had such BUILDINGS been wholly destroyed

The Sum Insured by this Section to which the Reinstatement Basis applies is declared to be subject to the Underinsurance (Average) condition applicable to the Reinstatement basis of settlement

Underinsurance (Average) Condition applicable to the Reinstatement basis of settlement

If at the time of Reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the BUILDINGS covered subject to this basis exceeds the total Sum Insured at the commencement of the DAMAGE the liability of the INSURER shall not exceed that proportion of the amount of the DAMAGE which the said Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such BUILDINGS at that time

The amount payable shall be in accordance with the Indemnity Basis

- a. unless Reinstatement commences and proceeds without unreasonable delay
- b. until the cost of Reinstatement shall have been actually incurred
- c. if the BUILDINGS at the time of the DAMAGE shall be insured by any other insurance effected by or on behalf of the INSURED which is not upon the same basis of Reinstatement

### **3. Day One (Non Adjustable) Basis**

- a. The basis upon which the amount payable in respect of the BUILDINGS is to be calculated shall be the Reinstatement of the BUILDINGS suffering DAMAGE

For this purpose Reinstatement means

- i. the rebuilding or replacement of BUILDINGS suffering DAMAGE which provided the liability of the INSURER is not increased may be carried out
  - a) in any manner suitable to the requirements of the INSURED
  - b) upon another site
- or
- ii. the repair or restoration of BUILDINGS suffering DAMAGE

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

- b. The INSURED having notified RIS of the DECLARED VALUE on the Schedule for each item the premium has been calculated accordingly

At the inception of each period of insurance the INSURED shall notify RIS of the DECLARED VALUE of the BUILDINGS insured by each of the said item(s)

In the absence of such declaration the last amount declared by the INSURED shall be taken as the TOTAL DECLARED VALUE for the ensuing period of insurance

The liability of the INSURER for the repair or restoration of BUILDINGS damaged in part only shall not exceed the amount which would have been payable had such BUILDINGS been wholly destroyed

# Section 1 Property Damage (Continued)

## **BUILDINGS — The Basis of Settlement (Continued)**

Underinsurance (Average) Condition applicable to the Day One (Non Adjustable) basis of settlement  
If at the time of DAMAGE the TOTAL DECLARED VALUE be less than the cost of Reinstatement of all BUILDINGS insured at the inception of the period of insurance then the INSURER's liability for the DAMAGE shall not exceed that proportion thereof which the TOTAL DECLARED VALUE bears to such cost of Reinstatement

The amount payable shall be in accordance with the Indemnity Basis

- a. unless Reinstatement commences and proceeds without unreasonable delay
- b. until the cost of Reinstatement shall have been actually incurred
- c. if the BUILDINGS at the time of the DAMAGE shall be insured by any other insurance effected by or on behalf of the INSURED which is not upon the same basis of Reinstatement

Where claims are limited to such value and the Sum Insured subject to this basis shall at the commencement of any DAMAGE be less than the value of the BUILDINGS covered within such Sum Insured the amount payable by the INSURER in respect of such DAMAGE shall be proportionately reduced

### **Underinsurance (Average) (RICS)**

The basis of settlement defined in the Underinsurance (Average) conditions within this Section shall not apply if in the event of DAMAGE the INSURED provides documentary evidence of a revaluation having been carried out by or under the supervision of a Fellow or Associate member of the Royal Institute of Chartered Surveyors not more than three years prior to the date of DAMAGE with annual revaluation in the interim in accordance with a suitable or appropriate rebuilding cost index with the DECLARED VALUE having been adjusted accordingly

### **Extensions**

The following extensions apply to this Section of the Policy

#### **1. Contract Works**

The insurance by each item on BUILDINGS extends to include CONTRACT WORKS to the extent to which the INSURED has contracted to arrange cover

The maximum amount payable under this extension is £100,000 any one claim at any PREMISES and £100,000 in the aggregate in respect of all losses arising out of any one EVENT

This insurance shall only apply in so far as the CONTRACT WORKS are not otherwise insured

Provided that

- a. the INSURED shall furnish RIS with full particulars of each Contract to which this Extension applies prior to commencement thereof
- b. the INSURED shall pay such additional premium as the INSURER may require
- c. the Contractors and or Sub Contractors shall have and keep in force their own Employers Liability insurance and Public Liability insurance with a minimum indemnity limit of £5,000,000 any one EVENT
- d. non-negligence cover required under JCT 1980 Clause 6.5.1 or similar is excluded from this Policy
- e. the INSURER shall not be liable for the EXCESS of £250 in respect of each and every loss

#### **2. Debris Removal**

The Sums Insured in respect of BUILDINGS and CONTENTS OF COMMON PARTS includes an amount in respect of the

- a. Costs incurred with the consent of the INSURER in removing debris from the PREMISES and the area immediately adjacent to it and dismantling demolishing shoring up or propping of the damaged portion(s) of the BUILDINGS following DAMAGE

# Section 1 Property Damage (Continued)

## Extensions (Continued)

- b. Costs incurred in removing from the PREMISES the debris of the contents not being the PROPERTY of the INSURED following DAMAGE
- c. Costs and expenses incurred by the INSURED with the consent of the INSURER in cleaning and or clearing drains and or sewers and or gutters the PROPERTY of the INSURED or for which the INSURED is responsible following DAMAGE to the BUILDINGS insured

Provided that in respect of any pollution or contamination arising in consequence of DAMAGE caused by any PERILS the INSURER's liability arising from the removal of debris from car parks roads pavements and similar surfaces all constructed of solid materials as defined within BUILDINGS shall not exceed

- i. in respect of any one EVENT 10% of the Sum Insured by the relative item on BUILDINGS or £250,000 whichever is the less
- ii. £1,000,000 in any one period of insurance

The INSURER will not pay for the cost of removing debris except from the site of such DAMAGE and the area immediately adjacent to such site.

### 3. Falling Trees

DAMAGE to the PROPERTY insured arising from falling trees or parts thereof including the cost of removing the fallen tree or parts thereof other than as a result of felling lopping or topping

### 4. Fire Extinguishment and Alarm Resetting Expenses

Where not otherwise recoverable

- a. extinguishment expenses incurred by the INSURED in order to minimise DAMAGE
- b. fire and intruder alarm and closed circuit television systems resetting expenses incurred by the INSURED following DAMAGE

### 5. Fly-Tipping

The costs of clearing and removing any property illegally deposited in or around any PREMISES

The maximum amount payable under this extension is £10,000 any one EVENT at any PREMISES and £30,000 in any one period of insurance

### 6. Insurance Premiums and Latent Defects Policies Technical Agents Fees

Where the BUILDINGS have suffered DAMAGE the INSURER will pay the cost of any insurance premiums or in respect of Latent Defects Policies Technical Agents fees being those incurred by the INSURED with the consent of the INSURER in arranging contract works policies or in continuing any pre-existing latent defects policies

### 7. Investigation Expenses

Where the BUILDINGS have suffered DAMAGE and in the opinion of a competent construction professional there is a reasonable possibility of other DAMAGE to portions of the same BUILDINGS which is not immediately apparent the INSURER will pay the costs incurred by the INSURED in establishing whether or not such DAMAGE has occurred

The INSURER will also pay the costs incurred by the INSURED in establishing whether or not other buildings in the vicinity have suffered DAMAGE in the same incident but only if such buildings are subsequently found to have suffered such DAMAGE for which the INSURER is liable

# Section 1 Property Damage (Continued)

## Extensions (Continued)

### 8. Involuntary Bailee

DAMAGE to bailor's goods in the custody or control of the INSURED or for which they are responsible subject to:-

- b. visible evidence of violent and forcible entry in to or exit from the PREMISES in respect of DAMAGE by theft or attempted theft
- c. a signed inventory being issued to the TENANT as soon as a repossession takes place
- d. new locks being fitted to the PREMISES and a weekly inspection made to ensure that the PREMISES remain lockfast

but not for

- a. DAMAGE by theft or attempted theft to gold, silver, precious stones, precious metals, bullion, furs, curiosities, works of art, rare books, audio visual goods, computer equipment, cameras, jewellery money cheques stamps bonds credit cards and securities of any description
- b. unaccountable losses

Unless more specifically agreed and shown on the Schedule, the maximum amount payable under this extension is £10,000 per repossession

### 9. Keys

The expenses incurred in necessarily replacing locks to the PREMISES or safes or strong-rooms therein for which the INSURED are responsible consequent upon DAMAGE or theft of keys (including electronic keys or cards and reprogramming costs) from such PREMISES or from the residence of any of the authorised keyholding directors partners or EMPLOYEES of the INSURED or whilst the keys are being carried elsewhere in the United Kingdom.

The maximum amount payable in respect of this extension is £2,500 any one loss.

### 10. Loss of Market Value

It is understood that

- a. if the INSURED elects not to repair or rebuild the BUILDINGS and the INSURER does not exercise their right to repair or rebuild the INSURER will pay to the INSURED the reduction in the market value of the BUILDINGS solely as a result of the DAMAGE but not exceeding the amount which would have been payable had the BUILDINGS been repaired or rebuilt
- b. if solely as a result of DAMAGE insured hereby the INSURED are required to rebuild or reinstate the BUILDINGS in a manner different from that immediately before the DAMAGE solely to comply with the stipulations (as defined in Extension 15 Public Authority Compliance) and as a result there is reduction in market value thereof the INSURER agrees to pay:
  - i. the cost of repairing or reinstating the BUILDINGS and
  - ii. a cash settlement representing the reduction in market value solely as a result of DAMAGE so that the total payment made is no greater than the amount that would have been payable had the BUILDINGS been repaired or reinstated in an identical manner to their condition immediately before the DAMAGE

less any amount to take account of any compensation payable or allowance made to the INSURED

Provided that:

- i. the total amount recoverable under any item of the Policy shall not exceed its Sum Insured
- ii. all the terms and conditions of the Policy except in so far as they are varied hereby shall apply as if they had been incorporated herein



# Section 1 Property Damage (Continued)

## Extensions (Continued)

### 11. Loss of Metered Gas or Water

Loss of metered gas or water arising from DAMAGE resulting in a charge which the INSURED is unable to recover from any other party.

The maximum amount payable under this extension is £250,000 any one EVENT at any PREMISES

### 12. Obsolete Building Materials

This Policy extends to include the additional costs incurred following DAMAGE in replacement of materials which given consideration to the scientific and technical knowledge at the time of installation construction or fitting were reasonably deemed to be fit for the purpose intended but require replacement with more suitable modern materials

Provided that the BUILDINGS shall not be regarded as being better or more extensive than when new.

The maximum amount payable under this extension shall not exceed 5% of the DECLARED VALUE for any one EVENT

### 13. Personal Possessions

This Policy extends to include directors partners customers visitors and EMPLOYEES personal effects of every description (other than motor vehicles) insofar as they are not otherwise insured.

The maximum amount payable under this extension is £500 for any one person any one EVENT

### 14. Professional Fees

The Sum Insured in respect of BUILDINGS includes an amount in respect of architects surveyors legal and consulting engineers fees incurred following DAMAGE to the PREMISES but not for the cost of preparing any claim MANAGING AGENTS fees and fees payable to any Company which is a Parent of the INSURED or which is a Subsidiary of a Parent Company of which the INSURED are themselves a Subsidiary will be accepted as necessary where

- a. the INSURED would have employed them in respect of reinstatement or other work of an equivalent nature in the normal course of their BUSINESS
  - b. the fees are in respect of work of benefit to the INSURER
  - c. the fees relate to work which is necessary for repair or reinstatement
  - d. the fees have been agreed with the INSURER in advance
- but not for the cost of preparing any claim

### 15. Public Authority Compliance

The Sum Insured in respect of BUILDINGS includes an amount for the additional cost of reinstatement which must be commenced and carried out without unreasonable delay incurred solely by reason of the necessity to comply with any Building or other regulations under or framed in pursuance of any European Union legislation or Act of Parliament or with byelaws of any public authority in respect of

- a. reinstating BUILDINGS which have suffered DAMAGE
- b. upgrading any undamaged portions of the BUILDINGS which have suffered DAMAGE
- c. upgrading any water supply equipment at the PREMISES supplying the sprinkler installation in undamaged portions of BUILDINGS

but excluding any costs incurred where notice has been served upon the INSURED to comply with such regulations or byelaws prior to the DAMAGE occurring or the amount of any rate, tax, duty, charge or assessment arising out of capital appreciation which may be payable in respect of the BUILDINGS because of compliance with such regulations or byelaws

# Section 1 Property Damage (Continued)

## Extensions (Continued)

### 16. Removal of Nests

The cost of removing wasps or bees nests from residential BUILDINGS

The maximum amount payable under this extension is £250 any one EVENT

### 17. Sprinkler Costs

The Sum Insured in respect of BUILDINGS includes an amount in respect of the costs incurred in upgrading an automatic sprinkler installation to the current LPC Rules solely as imposed upon the INSURED by the INSURER following DAMAGE to the BUILDINGS provided that at the time of DAMAGE the installation conformed to the 28<sup>th</sup> or 29<sup>th</sup> Edition Rules or to the LPC Rules current at the time of installation but did not conform to subsequent amendments to those Rules

### 18. Temporary Removal

DAMAGE to CONTENTS OF COMMON PARTS whilst temporarily removed from the PREMISES for cleaning renovation repair or similar purposes within the TERRITORIAL LIMITS unless more specifically insured

The maximum amount payable under this extension is 10% of the Sum Insured for CONTENTS OF COMMON PARTS any one EVENT

### 19. Temporary Repairs

The cost of

- a. necessary boarding up following DAMAGE to fixed glass in windows doors fan lights and skylights to make the BUILDINGS secure
- b. the provision of temporary doors for the purpose of weather proofing or securing the BUILDINGS
- c. weather proofing BUILDINGS
- d. securing the site following DAMAGE

### 20. Trace and Access

Where the BUILDINGS have suffered DAMAGE or in the opinion of a competent professional there is a reasonable possibility of DAMAGE resulting from the escape of gas oil or water into the PREMISES the INSURER will pay the costs incurred in locating the source and subsequently making good

### 21. Unauthorised Use of Public Utilities

Loss resulting from use by UNAUTHORISED PERSONS of electricity gas water or telecommunications services at the PREMISES for which the INSURED are legally responsible to the extent that such loss is determined by measurement from meters

The maximum amount payable under this extension is £250,000 any one EVENT at any PREMISES

### 22. Diminution in Value

Where solely as a result of DAMAGE to PREMISES or to third party buildings in the vicinity there is a subsequent reduction in sale price achieved on such PREMISES being a PREMISES offered for sale on the open market prior to the DAMAGE the insurance by this section extends to include the difference in prior and post DAMAGE value.

The maximum amount payable under this extension shall not exceed £100,000 any one EVENT and in the aggregate following DAMAGE to third party building in the vicinity and £250,000 following DAMAGE to PREMISES



# Section 1 Property Damage (Continued)

## Extensions (Continued)

Any difference in opinion (i.e. reduction in value) is to be arbitrated by a Fellow of the Royal Institution of Chartered Surveyors appointed with the agreement of both the INSURED and the INSURER such arbitration to be binding on both parties and any fees incurred to be borne equally by both parties

### 23. Index Linking

The Sum Insured by this Section will be adjusted during the period of insurance in accordance with fluctuations in suitable indices of cost

In the event of loss the Sum Insured will continue to be adjusted in accordance with fluctuations in the indices during the period necessary for completion of repair or reinstatement provided that repair or reinstatement is carried out without unreasonable delay

### 24. Reinstatement to Match

Where the BUILDING suffers DAMAGE by any causes not excluded the INSURED may replace repair or restore the BUILDING with equivalent PROPERTY which employs current technology and replacement repair or restoration with 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 BUILDINGS insofar as it is necessary to adapt it or replace it to operate in conjunction with the BUILDING suffering DAMAGE and which has been replaced repaired or restored

When the BUILDING is partially damaged the INSURER's liability shall not exceed the sum representing the cost which the INSURER could have been called upon to pay for reinstatement if the BUILDING had been wholly destroyed

The maximum amount payable under this extension is £1,000,000 any one EVENT

### 25. Value Added Tax

The insurance on BUILDINGS extends to include Value Added Tax paid by the INSURED which is not subsequently recoverable

Provided that

- a.
  - i. the INSURED's liability for such tax arises solely as a result of the reinstatement or repair of the BUILDINGS to which such item relates following DAMAGE
  - ii. The INSURER has paid or has agreed to pay for such DAMAGE
  - iii. if payment made by the INSURER in respect of the reinstatement or repair of such DAMAGE shall be less than the actual cost of the reinstatement or repair any payment under this extension resulting from the DAMAGE shall be reduced in like portion
- b. the INSURED's liability for such tax does not arise from the replacement BUILDING having greater floor area than or being better or more extensive than the destroyed or damaged BUILDING
- c. where an option to reinstate on another site is exercised the liability of the INSURER shall not exceed the amount of tax that would have been payable had the BUILDING been rebuilt on its original site
- d. the INSURER's liability shall not include amounts payable by the INSURED as penalties or interest for non-payment or late payment of tax

Terms to the contrary elsewhere in this Policy are over-ridden as follows in respect of those items to which this extension applies

- a. for the purposes of the Property Damage Underinsurance (Average) Conditions reinstatement costs shall be exclusive of Value Added Tax
- b. the liability of the INSURER may exceed the Total Sum Insured where such excess is solely in respect of Value Added Tax

# Section 1 Property Damage (Continued)

## Extensions (Continued)

### 26. Loss of Management Fees

Where the BUILDINGS have suffered DAMAGE the INSURER will pay the additional costs incurred by the INSURED with the consent of the INSURER in respect of management and supervision of reinstatement. This Extension does not cover any additional costs for a rebuilding contract with a value of less than £100,000

The maximum amount payable under this extension is £25,000 any one EVENT

### 27. Public Utilities

- a. DAMAGE is extended to include the failure of the supply of
  - i. electricity at the terminal ends of the supply authority's service feeders at the PREMISES
  - ii. gas at the supply authority's meters at the PREMISES
  - iii. water at the supply authority's main stop cock serving the PREMISESby an accidental cause other than the deliberate act of any supply authority or by any such authority exercising its power to withhold or restrict supply or by drought
- b. The insurance is extended to include loss of RENT resulting from DAMAGE to PROPERTY at any land based PREMISES of any public telecommunications undertaking from which the PREMISES obtains telecommunications services

The maximum amount payable under this extension is £1,000,000 any one EVENT

### 28. Contents of Furnished Accommodation

The definition of BUILDINGS under this Policy is hereby extended to include Household Contents belonging to or the responsibility of the INSURED in furnished accommodation subject to a single article limit of £5,000 other than common parts

This extension does not include DAMAGE by Theft or attempted theft of gold, silver, precious stones, precious metals, bullion, furs, curiosities, works of art, rare books, audio visual goods, computer equipment, cameras, jewellery money cheques stamps bonds credit cards and securities of any description

### 29. Alternative Residential Accommodation and Rent

The insurance provided by this Section is extended to include

- a. Alternative Residential Accommodation Expenses
  - i. The costs of alternative residential accommodation and temporary storage of the occupier's furniture
  - ii. The cost of accommodation in kennels or catteries for any dogs or cats belonging to the occupier
- b. Rent
  - i. The amount of RENT the INSURED or any leaseholder should have received but have lost
  - ii. The amount of ground RENT the INSURED or any leaseholder should have received but have lost
  - iii. The amount of management charges the INSURED should have received but have lost

While the flat or private dwelling house is unfit to live in or while access to the flat or private dwelling house is denied as a result of DAMAGE to the PREMISES.

The maximum amount payable under this extension is 30% of the BUILDINGS Sum Insured

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

# Section 1 Property Damage (Continued)

## Extensions (Continued)

### 30. Automatic Cover – Newly Acquired Properties Alterations & Additions

The insurance by this Section extends to include newly acquired or newly erected PREMISES or alterations additions or extensions to PREMISES from the time the INSURED becomes responsible for such BUILDINGS following practical completion and insofar as they are not otherwise insured

Provided that

- a in respect of newly acquired or newly erected PREMISES the INSURED shall notify RIS as soon as practicable and pay any additional premium as may be required
- b in respect of alterations additions or extensions to PREMISES cover shall apply until the renewal date immediately following the INSURED becomes responsible for such BUILDINGS

The maximum amount payable under this extension

- i. for newly acquired or newly erected PREMISES  
The maximum amount payable under this extension is the total BUILDINGS DECLARED VALUE and RENT Sums Insured or £ 2,500,000, whichever is the less any one PREMISES
- ii. for alterations additions or extensions to PREMISES  
The maximum amount payable under this extension is 20% of the total BUILDINGS DECLARED VALUE and RENT Sums Insured or £2,000,000 whichever is the less any one PREMISES

### 31. Contracting Purchasers Interest

If at the time of DAMAGE to BUILDINGS the INSURED has contracted to sell its interest in such BUILDINGS or following DAMAGE to BUILDINGS the INSURED contracts to sell its interest in such BUILDINGS and the sale has not been completed the contracting purchaser who completes the purchase (providing the BUILDINGS are not otherwise insured by or on behalf of the contracting purchaser) shall at the discretion of the INSURED be entitled to benefit under this Policy such entitlement to be confirmed by the INSURED in the event of any claim arising under this Policy without prejudice to the rights and liabilities of the INSURED or INSURER

### 32. Terrorism - Residential Property

The insurance provided by this Section extends to include DAMAGE to insured PROPERTY as shown on the Schedule within GREAT BRITAIN caused by TERRORISM occurring during the period of insurance provided that:

- a. the BUILDINGS are used exclusively as a private residence
- b. the PROPERTY is insured under this Policy, in the name of an individual or individuals, (other than sole traders, partners in an unincorporated business partnership or trustees except where any such sole trader, partner or trustee occupies any part of the property for their own residential purposes)
- c. in respect of DAMAGE to insured PROPERTY and subsequent loss of RENT or cost of alternative residential accommodation, the INSURER's liability in total for any one loss occurrence will not exceed the Sums Insured or limits shown on the Schedule, or as otherwise specified in this Section, in respect of such insured PROPERTY, loss of RENT or cost of alternative residential accommodation.

The INSURER will not pay for any DAMAGE whatsoever or any expenditure resulting or arising therefrom or any CONSEQUENTIAL LOSS directly or indirectly caused by or contributed to by or arising from:

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

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

# Section 1 Property Damage (Continued)

## Provisions

### 1. Contractors

Where the INSURED is required to effect insurance on the BUILDINGS in the joint names of the INSURED and or Contractors and or Sub-Contractors of whatsoever tier under the terms of JCT or similar Contracts then the interest of the Contractors and or Sub-Contractors of whatsoever tier is automatically noted under the Policy as joint names insured parties subject to details of any single contract valued in excess of £100,000 having been advised to the INSURER as soon as is reasonably practicable

### 2. Designation of Property

For the purpose of determining where necessary the item under which any PREMISES is insured the INSURER agrees to accept the designation under which such PROPERTY has been entered in the INSURED's books or which has been used by the INSURED in computing the Sums Insured hereunder

### 3. Joint Insured

Under this Section and no other Section in the Policy the INSURED shall include any Leaseholder, Right to Manage Company or Resident Management Company for their respective rights and interests where the terms of the lease applying to the PROPERTY insured at the time of the DAMAGE requires the BUILDINGS insurance to be in the joint names of the freeholder and the same leaseholder, right to manage company or resident management company.

Provided that in the event of a claim being notified to the INSURER the details of all parties entitled to indemnity under this provision are notified to the INSURER.

### 4. Mortgagees and Lessors

Any increase in the risk of DAMAGE resulting from any act or neglect of the INSURED freeholder mortgagor leaseholder lessee licensee or occupier of any BUILDINGS insured by this Policy will not prejudice the interest of any freeholder lessor mortgagee financier or lender (other than the party causing the increase in the risk and if such increase in risk is without their prior knowledge or authority) provided that the INSURER is notified immediately the party becomes aware of such increase in risk and any additional premium required is paid to the INSURER

### 5. Non-invalidating

This insurance shall not be invalidated by any act or omission or by any alteration which increases the risk of DAMAGE without the authority or knowledge of or beyond the control of the INSURED provided that immediately the INSURED becomes aware of the increased risk of DAMAGE notice shall be given to the INSURER and any additional premium paid

### 6. Other Interests

The interest of any freeholders lessors lessees licensees underlessees assignees mortgagees financiers lenders receivers tenants and occupiers are noted in this Policy it being understood that the details of such parties will be notified as soon as reasonably practicable to the INSURER in the event of any claim arising under this Policy

### 7. Repairs Maintenance Alterations

Repairs and or maintenance and or minor alterations in and or to and or around the PREMISES may be effected without prejudice to this insurance

# Section 1 Property Damage (Continued)

## Provisions (Continued)

### 8. Subrogation Waiver

In the event of a claim arising under this Policy the INSURER agrees to waive all rights remedies or relief to which it may become entitled by subrogation against

- a. any Company standing in the relation of Parent to Subsidiary (Subsidiary to Parent) to the INSURED as defined in the Companies Act 1985 or Companies (Northern Ireland) Order 1986 as appropriate current at the time of the DAMAGE
- 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 1985 or Companies (Northern Ireland) Order 1986 as appropriate current at the time of the DAMAGE
- c. any TENANT of any PREMISES including if required by the INSURED any TENANT which has not contributed to the premium for the PREMISES such requirement to be confirmed by the INSURED in the event of a claim arising under this Policy provided that the DAMAGE did not result from a criminal fraudulent or malicious act of the TENANT
- d. if required by the INSURED under the terms of any construction contract conditions any Contractors and or Sub Contractors of whatsoever tier such requirement to be confirmed by the INSURED in the event of any claim arising under this Policy

# Section 2 Rent

## The Cover

If any BUILDINGS suffer DAMAGE by any causes not excluded under Section 1 Property Damage and the BUSINESS is in consequence thereof interrupted or interfered with the INSURER will pay the INSURED the amount of loss arising as a result in accordance with the Basis of Settlement and the following provisions provided that the liability of the INSURER in any one period of insurance shall not exceed the Sum Insured as shown on the Schedule

The cover provided by this Section of the Policy if shown as operative on the Schedule is in addition to the cover automatically provided under Section 1 – Property Damage.

## Causes Excluded

The following are the causes excluded except as otherwise shown on the Schedule

### 1. TERRORISM

DAMAGE directly or indirectly caused by, contributed to by or arising from

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

except as provided by

- i. Extension 13 – Terrorism - Residential Property under this Section, or
- ii. Section 7 – Terrorism of this Policy, if such Section is shown as insured on the Schedule

In any action, suit or other proceedings, where the INSURER alleges that by reason of the provisions of this exclusion any DAMAGE is not covered by this Section, the burden of proving that such DAMAGE is covered shall be upon the INSURED.

## Property Damage proviso

The INSURER shall not be liable for any loss unless there is in force at the time of the DAMAGE to PROPERTY causing interruption or interference with the BUSINESS, an insurance policy covering the interest of the INSURED in the PROPERTY for the DAMAGE suffered and

- a. payments has been made or liability admitted for such DAMAGE or
- b. payment would have been made or liability would have been admitted for such DAMAGE but for the exclusion of losses below the EXCESS

## Rent — The Basis of Settlement

The INSURER will pay in respect of BUILDINGS which have suffered DAMAGE, the resulting loss of RENT, cost of reletting and additional expenditure being

- a) in respect of the loss of RENT  
the actual amount of the reduction in the RENT receivable by the INSURED during the INDEMNITY PERIOD solely in consequence of the DAMAGE
- b) in respect of the cost of reletting  
the costs necessarily incurred from the date of the DAMAGE until the expiry of the INDEMNITY PERIOD in reletting the BUILDINGS (including legal fees in connection with the reletting) solely in consequence of the DAMAGE



# Section 2 Rent (Continued)

## The Basis of Settlement (Continued)

- c) in respect of the additional expenditure the expenditure (other than that recoverable under b) above) necessarily incurred in consequence of the DAMAGE solely to avoid or minimise the loss of RENT during the INDEMNITY PERIOD but not exceeding
  - i. the amount of the reduction avoided by such expenditure plus
  - ii. 5% of the Sum Insured by the item (but not more than £250,000)

## Extensions

The Policy is extended to include the following extensions by any causes not excluded under this Section:

### 1. Buildings Awaiting Sale

If at the time of the DAMAGE the INSURED shall have contracted to sell their interest in the BUILDINGS or shall have accepted an offer in writing to purchase their interest in the BUILDINGS subject to contract and the sale is cancelled or delayed solely in consequence of the DAMAGE provided that the INSURED shall make all reasonable efforts to complete the sale of the BUILDINGS as soon as practicable after the DAMAGE the INSURED may opt for the amount payable by the INSURER to be as follows:

- a. 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 in the RENT receivable by the INSURED solely in consequence of the DAMAGE

- b. 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 INDEMNITY PERIOD if earlier

the loss of interest being

- i. 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
- ii. the investment interest lost to the INSURED on any balance of the sale proceeds (after deduction of any capital borrowed as provided for under i) less any amount receivable in respect of RENT

- c. the additional expenditure being
  - i. the expenditure necessarily and reasonably incurred in consequence of the DAMAGE solely to avoid or minimise the loss payable under (a) and (b) immediately above but not exceeding the amount of loss avoided by such expenditure plus 5% of the Sum Insured by the item (but not more than £250,000)
  - ii. the additional legal fees and other expenditure incurred solely as a result of the cancellation or delay in consequence of the DAMAGE but not exceeding either an amount equivalent to the expenditure incurred immediately prior to the DAMAGE or £50,000 whichever is the less

except the amount payable shall be adjusted to provide for any benefit derived by the INSURED from cancellation of or delay in the sale so that it represents as nearly as may be reasonably practicable the actual loss suffered by the INSURED

### 2. Insurance Premiums

RENT is deemed to include insurance premiums only where there is a clause in the lease which enables the lessee to cease paying such premiums or part thereof in the event of DAMAGE

# Section 2 Rent (Continued)

## Extensions (Continued)

### 3. Loss of Attraction

Loss of RENT resulting from the termination or renegotiation of any agreements for lease or other loss of tenancy or delay in completion of letting of the PREMISES consequent upon DAMAGE to property in the vicinity of the PREMISES which results in a reduction in numbers of potential visitors and or customers to the PREMISES

The liability of the INSURER in respect of this extension shall not exceed

- a. £50,000 or the Sum Insured in respect of each PREMISES whichever is the less
- b. £250,000 in the aggregate during the period of insurance

### 4. Legionellosis

Loss of RENT resulting from any outbreak of Legionellosis at the PREMISES causing restrictions on the use thereof on the order or advice of the competent local authority

Provided that for the purposes of this clause

- a. PREMISES shall mean PREMISES which are directly affected by the DAMAGE
- b. the INSURER shall not be liable under this extension for any costs incurred in cleaning repair replacement or inspection of property except those costs and expenses incurred with the INSURER's consent in cleaning and decontamination of the air-conditioning or water supply at the PREMISES the use of which has been restricted on the order or advice of the competent local authority

### 5. Prevention of Access

Loss of RENT resulting from prevention or hindrance of access to the BUILDINGS or prevention of use of the BUILDINGS in consequence of

- a. DAMAGE other than by any of the Causes Excluded to the property in the immediate vicinity of the BUILDINGS  
or
- b. the BUILDINGS or any property or rights of way in the immediate vicinity of the BUILDINGS being
  - i. occupied by terrorists or persons thought to be terrorists
  - ii. unlawfully occupied by third parties except in the course of a dispute between any employer and employee or group of workers
  - iii. thought to contain or actually containing a harmful device provided that the police are immediately informed
  - iv. closed down or sealed off in accordance with instructions issued by the police or by any other statutory body except where the cause of such closure or sealing off is
    - i. the condition of the BUILDINGS or the business carried on within the BUILDINGS
    - ii. the INSURED's or lessees noncompliance with a prior order of the police or any statutory body
    - iii. action taken as a result of drought or human infectious or contagious diseases or other hazards to health

provided that the INSURER shall not be liable for



# Section 2 Rent (Continued)

## Extensions (Continued)

- i. loss arising from any cause within the control of the INSURED or lessee
- ii. loss which is the direct result of repairs or maintenance being carried out to the PREMISES

The liability of the INSURER in respect of this endorsement shall not exceed £1,000,000 any one EVENT

### 6. Loss of Investment Income on Late Payment of Rent

If as a result of DAMAGE the INSURER is paying indemnity in respect of loss of RENT and the payment by the INSURER to the INSURED is made later than the date upon which the INSURED would normally have expected to receive the RENT from a lessee the INSURER will pay a further sum representing the investment interest lost to the INSURED during the delay period

### 7. Managing Agents Premises

Loss of RENT resulting solely from DAMAGE to BUILDINGS or other property at any location in the United Kingdom owned or occupied by the INSURED's MANAGING AGENT for the purposes of their business in consequence of which RENT receivable by the INSURED is reduced

### 8. Murder Suicide or Disease

Loss of RENT resulting from interruption of or interference with the BUSINESS during the INDEMNITY PERIOD following

- a. any human infectious or human contagious disease (an outbreak of which the local authority has stipulated shall be notified to them) manifested by any person whilst in the PREMISES or within a 25 mile radius of it
- b. murder or suicide in the PREMISES
- c. INJURY or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided in the PREMISES
- d. vermin or pests in the PREMISES
- e. the closing of the whole or part of the PREMISES by order of a competent public authority consequent upon defect in the drains or other sanitary arrangements at the PREMISES

The Insurance by this Extension shall only apply for the period beginning with the occurrence of the loss and ending not later than three months thereafter during which the results of the BUSINESS shall be affected in consequence of the interruption or interference

### 9. Payments on Account

Payments on account will be made during the INDEMNITY PERIOD at the request of the INSURED subject to any necessary adjustments at the termination of the INDEMNITY PERIOD

### 10. Professional Accounting & Legal Charges

Any details contained in the INSURED's business books required by the INSURER for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are regularly acting as such for the INSURED and their report shall be prima facie evidence of the details to which such report relates

The INSURER will pay to the INSURED the charges payable to its professional accountants for producing such evidence and for reporting to the INSURER and the INSURED that such details are in accordance with the INSURED's books of account provided that the total amount payable shall not exceed the liability of the INSURER as shown on the Schedule

The INSURER will pay to the INSURED the charges payable to its lawyers for determining their contractual rights under any RENT cesser clause or insurance break clause contained in the lease but not for any other purposes in the preparation of any claim

# Section 2 Rent (Continued)

## Extensions (Continued)

### 11. Automatic Cover – Newly Acquired Properties Alterations & Additions

The insurance by this Section extends to include newly acquired or newly erected PREMISES or alterations additions or extensions to PREMISES from the time the INSURED becomes responsible for such BUILDINGS following practical completion and insofar as they are not otherwise insured

Provided that

- a. in respect of newly acquired or newly erected PREMISES the INSURED shall notify RIS as soon as practicable and pay any additional premium required
- b. in respect of alterations additions or extensions to PREMISES cover shall apply until the renewal date immediately following the INSURED becomes responsible for such BUILDINGS

The maximum amount payable under this extension

- i. for newly acquired or newly erected PREMISES  
The maximum amount payable under this extension is the total BUILDINGS DECLARED VALUE and RENT Sums Insured or £ 2,500,000, whichever is the less any one PREMISES
- ii. for alterations additions or extensions to PREMISES  
The maximum amount payable under this extension is 20% of the Rent Sum Insured or £500,000 whichever is the less any one PREMISES

### 12. Contracting Purchasers Interest

If at the time of DAMAGE to BUILDINGS the INSURED has contracted to sell its interest in such BUILDINGS or following DAMAGE to BUILDINGS the INSURED contracts to sell its interest in such BUILDINGS and the sale has not been completed the contracting purchaser who completes the purchase (providing the BUILDINGS are not otherwise insured by or on behalf of the contracting purchaser) shall at the discretion of the INSURED be entitled to benefit under this Policy such entitlement to be confirmed by the INSURED in the event of any claim arising under this Policy without prejudice to the rights and liabilities of the INSURED or INSURER

### 13. Terrorism – Residential Property

The insurance provided by this Section extends to include the loss of RENT, cost of reletting and additional expenditure resulting from DAMAGE to insured PROPERTY within GREAT BRITAIN as shown on the Schedule under Section 1 Property Damage caused by TERRORISM occurring during the period of insurance provided that:

- a. the BUILDINGS are used exclusively as a private residence
- b. the PROPERTY is insured under this Policy, in the name of an individual or individuals, (other than sole traders, partners in an unincorporated business partnership or trustees except where any such sole trader, partner or trustee occupies any part of the property for their own residential purposes)
- c. the INSURER's liability in total for any one loss occurrence will not exceed the Sums Insured or limits shown on the Schedule, or as otherwise specified in this Section, in respect of such loss of RENT, cost of reletting and additional expenditure
- d. payment has been made or liability admitted for such DAMAGE under Extension 32 Terrorism – Residential Property under Section 1 Property Damage.

The INSURER will not pay for any loss whatsoever resulting from DAMAGE or any expenditure resulting or arising therefrom or any CONSEQUENTIAL LOSS directly or indirectly caused by or contributed to by or arising from:

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

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

# Section 2 Rent (Continued)

## Provisions

### 1. Savings

If any charge or expense payable out of RENT shall cease or reduce during the INDEMNITY PERIOD in consequence of the DAMAGE the sum saved shall be deducted from the amount otherwise payable under this insurance

### 2. Alternative Accommodation — Reduction of Loss

If in consequence of the DAMAGE the INSURED shall use other premises to provide accommodation to TENANTS the RENT received from those PREMISES during the INDEMNITY PERIOD shall be taken into account in assessing the loss of RENT

### 3. Anticipated Rent

If the BUILDINGS are UNOCCUPIED at the commencement of the INDEMNITY PERIOD where RENT is insured the INSURED must show that but for the DAMAGE RENT would have been earned

The INSURER will have regard

- a. to actual negotiations with prospective TENANTS both before and after the incident
- b. for demand for similar accommodation in the locality and
- c. the general level of rents applying

If required the advice of a professional valuer acceptable to both the INSURED and the INSURER will be sought and such fees will be included in the indemnity under this Provision

### 4. Subrogation Waiver

In the event of a claim arising under this Policy the INSURER agrees to waive all rights remedies or relief to which it may become entitled by subrogation against

- a. any Company standing in the relation of Parent to Subsidiary (Subsidiary to Parent) to the INSURED as defined in the Companies Act 1985 or Companies (Northern Ireland) Order 1986 as appropriate current at the time of the DAMAGE
- 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 1985 or Companies (Northern Ireland) Order 1986 as appropriate current at the time of the DAMAGE
- c. any TENANT of any PREMISES including if required by the INSURED any TENANT which has not contributed to the premium for the PREMISES such requirement to be confirmed by the INSURED in the event of a claim arising under this Policy provided that the DAMAGE did not result from a criminal fraudulent or malicious act of the TENANT
- d. if required by the INSURED under the terms of any construction contract conditions any Contractors and or Sub Contractors of whatsoever tier such requirement to be confirmed by the INSURED in the event of any claim arising under this Policy

### 5. Rent Free Period

If at the date of the DAMAGE any BUILDING insured by this Policy is subject to a 'RENT Free Period' concession under the terms of the lease then the Maximum INDEMNITY PERIOD shown on the Schedule shall be adjusted by adding to the number of years shown on the Schedule the remaining balance of such 'RENT Free Period'

# Section 3 Property Owners Liability

## The Cover

The INSURER will indemnify the INSURED or the legal representative of the INSURED subject to the Limits of Indemnity shown on the Schedule for this Section against damages and claimants costs and expenses for which the INSURED is legally liable in respect of

- a. Accidental INJURY to any person
- b. Accidental DAMAGE to PROPERTY
- c. interference with or loss of enjoyment of any right of light air waterway easement or PROPERTY as a result of obstruction trespass nuisance stoppage of or interference with pedestrian vehicular rail air or waterborne traffic other than legal liability for damages which result from a deliberate act or omission of the INSURED or which is a natural consequence of the ordinary conduct of the BUSINESS and which could reasonably have been expected by the INSURED having regard to the nature and circumstances of such act or omission

caused in connection with the BUSINESS in respect of the PREMISES and occurring during the period of insurance and within the GEOGRAPHICAL LIMITS

The liability of the INSURER for all damages payable to any claimant or number of claimants in respect of any one EVENT shall not exceed the amount shown on the Schedule as the Limit of Indemnity for any one EVENT

Provided that the liability of the INSURER for all damages costs and expenses payable in respect of all EVENTS directly or indirectly caused by or arising from Terrorism (as defined below) during any one period of insurance shall not exceed £5,000,000 in the aggregate

For the purposes of this Section Terrorism means an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or part for political religious ideological or similar purposes

If the INSURER alleges that by reason of the Terrorism limitation above, any DAMAGE, INJURY, liability, cost or expense is not covered or is covered only up to the limit of £5,000,000, the burden of proving the contrary shall be upon the INSURED

## Additional Costs and Fees

The INSURER will in addition pay in respect of any claim which may be the subject of indemnity under the terms of this Section

- a. legal fees for representation at any coroner's inquest or inquiry in respect of any death or proceedings in any court arising out of any alleged breach of statutory duty resulting in any event which may be the subject of indemnity under this Section
- b. all other costs and expenses incurred with the written consent of the INSURER

## Section 3 Property Owners Liability (Continued)

### Exclusions

The INSURER shall not provide indemnity in respect of

1. INJURY to any EMPLOYEE arising out of and in the course of employment or engagement by the INSURED in the BUSINESS
2. DAMAGE to PROPERTY belonging to or in the custody or control of the INSURED other than EMPLOYEES or visitors personal effects including motor vehicles and their contents
3. liability caused by or arising from the ownership possession or use by or on behalf of the INSURED of any craft designed to travel on or through water or air
4. liability caused by or arising from the ownership possession or use by or on behalf of the INSURED of any mechanically propelled vehicle (or trailer attached to it) if being used in circumstances for which compulsory insurance or security is required under any legislation governing the use of the vehicle
5. liability caused by or arising:
  - a. from the defective design, plan, formula or specification of products supplied if it is given for a fee or if a fee would normally be charged for it
  - b. out of technical, professional or remedial instruction and advice given for a fee or for which a fee would normally be charged
6. liability caused by or arising from works to any PREMISES other than repairs and or maintenance and or alterations unless the INSURED has entered into a JCT (Joint Contracts Tribunal) or similar Contract with regard to the extension alteration repair and/or refurbishment of any PREMISES insured then the Insurance is extended to include such CONTRACT WORKS (including unfixed materials on site) where the estimated Contract Value at the commencement of the works does not exceed £100,000

Provided that

- a. the INSURED shall furnish RIS with full particulars of each Contract to which this extension applies prior to commencement thereof
  - b. the INSURED shall pay any additional premium required
  - c. the Contractors and or Sub Contractors shall have and keep in force their own Employers Liability insurance and Public Liability Insurance with a minimum indemnity limit of £5,000,000 any one EVENT
  - d. non-negligence cover required under clause 6.5.1 of the joint contracts tribunal standard form of building contract 2011 edition and any subsequent amendment or replacement is excluded from this Policy
7. the EXCESS as shown on the Schedule applied separately to each EVENT at each separate PREMISES
8. liability directly or indirectly caused by, contributed to by or arising out of 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 any period of insurance

All POLLUTION OR CONTAMINATION arising out of one incident shall be deemed to have occurred at the time such incident takes place

The total amount payable by the INSURER in respect of all such POLLUTION OR CONTAMINATION which is deemed by the INSURER to have occurred during any period of insurance shall not exceed the Limit of Indemnity shown on the Schedule for this Section

## Section 3 Property Owners Liability (Continued)

### Extensions

#### 1. Compensation for Court Appearance

The INSURER will indemnify the INSURED at the undernoted daily rates for the attendance of any director partner or any individual employed by the INSURED under a contract of service or apprenticeship at court as a witness at the request of the INSURER in connection with a claim under this Section

- |   |      |
|---|------|
| a. any of the INSURED's directors or partners   | £500 |
| b. any individual employed by the INSURED under a contract of service or apprenticeship | £250 |

#### 2. Contingent Liability for Motor Vehicles

Notwithstanding Exclusion 4 of this Section the INSURER will indemnify the INSURED in respect of legal liability caused by or in connection with any motor vehicle not the property of or provided by the INSURED which is being used in the course of the BUSINESS provided that the INSURER will not be liable in respect of

- a. liability arising when such vehicle is being driven
  - i. by the INSURED
  - ii. with the general consent of the INSURED by any person who to the knowledge of the INSURED does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- b. physical DAMAGE to any such vehicle
- c. any EVENT arising outside the TERRITORIAL LIMITS
- d. any EVENT for which the INSURED is entitled to indemnity under any other insurance

#### 3. Contractual liability

The INSURER will indemnify the INSURED against liability in respect of accidental INJURY or DAMAGE to property imposed on the INSURED solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in the INSURER

The INSURER will not provide indemnity in respect of any agreement for or including the performance of work outside the TERRITORIAL LIMITS

#### 4. Data Protection Act

The INSURER will indemnify the INSURED and at the request of the INSURED any EMPLOYEE against legal liability to pay damages and claimants costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998 not otherwise insured hereunder and first made against the INSURED in connection with the BUSINESS during the period of insurance

Provided that

- a. the liability of the INSURER for damages costs and expenses shall not exceed £1,000,000 in respect of any one period of insurance
- b. the INSURED has registered in accordance with the terms of the said Act or has applied for such registration which has not been refused or withdrawn



# Section 3 Property Owners Liability (Continued)

## Extensions (Continued)

- c. the INSURER shall not provide indemnity
  - i. for 10% of each claim subject to a minimum of £500 and a maximum of £5,000
  - ii. against liability caused by or arising from a deliberate act by or omission of any person entitled to indemnity under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission
  - iii. for the costs of replacing reinstating rectifying erasing blocking or destroying any personal data
  - iv. against liability caused by or arising from any incident or circumstances known to the INSURED at inception of this Extension which may give rise to a claim
  - v. against liability caused by or arising from the recording processing or provision of data for reward or the determining of the financial status of a person
  - vi. against liability which attaches by virtue of a contract or agreement and would not have attached in the absence of such contract or agreement regardless of whether the sole conduct and control of claims is vested in the INSURER

## 5. Defective Premises Act 1972

The INSURER will indemnify the INSURED in respect of any legal liability incurred under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with BUILDINGS which have been disposed of by the INSURED.

Provided that the INSURER shall not be liable:

- a. For the cost of remedying any defect or alleged defect in the BUILDINGS disposed of
- b. If the INSURED is entitled to indemnity from any other source

## 6. Indemnity to Other Persons

The INSURER will indemnify at the INSURED's request

- a. any director partner or EMPLOYEE of the INSURED while acting in connection with the BUSINESS in respect of liability for which the INSURED would have been entitled to indemnity if the claim had been made against the INSURED
- b. any PRINCIPAL to the extent that the contract or agreement between the INSURED and such PRINCIPAL requires indemnity
- c. the legal representative of any person entitled to indemnity under this Extension in respect of liability incurred by such person
- d. a Residents Management Company leaseholder or Right to Manage Company not otherwise insured by this Policy for their liability arising from their responsibility for maintenance of the property insured by this Policy which for the avoidance of doubt excludes PREMISES demised to the leaseholders for which the INSURED would have been entitled to indemnity if the claim had been made against the INSURED.

Provided that

- i. there is no other insurance in force covering the same liability

## Section 3 Property Owners Liability (Continued)

### Extensions (Continued)

- ii. the INSURER shall have sole conduct and control of any claim
- iii. any person or party receiving or entitled to indemnity under this Extension shall observe and be subject to the terms conditions and limitations of the Policy so far as they can reasonably apply.

### 7. Movement of Obstructing Motor Vehicles

Exclusion 4 shall not apply to liability caused by or arising from any motor vehicle (not owned or hired by or lent to the INSURED) being driven by the INSURED or by any EMPLOYEE with the INSURED's permission whilst such vehicle is being moved for the purpose of allowing free movement of any vehicle owned hired by or lent to the INSURED or any EMPLOYEE of the INSURED

Provided that

- a. movements are restricted to motor vehicles parked on or obstructing the PREMISES
- b. the vehicle causing obstruction will not be driven by any person unless such person is qualified to drive the vehicle
- c. the vehicle causing obstruction is driven by use of the owner's ignition key
- d. the INSURER shall not provide indemnity against liability
  - i. in respect of DAMAGE to such vehicle
  - ii. in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle

### 8. Overseas Personal Liability

The INSURER will indemnify the INSURED and if so requested by the INSURED

- a. any EMPLOYEE of the INSURED
- b. any spouse or child of such director partner or EMPLOYEE of the INSURED accompanying such persons against legal liability to pay as damages incurred in a personal capacity whilst outside the TERRITORIAL LIMITS in connection with the BUSINESS

The INSURER will not provide an indemnity in respect of liability

- a. where indemnity is provided by any other insurance
- b. arising from ownership possession or use of wild animals firearms (other than sporting guns) mechanically propelled vehicles aircraft or watercraft
- c. arising out of the ownership or occupation of land or BUILDINGS
- d. arising from the carrying on of any trade or profession not connected with the INSURED's BUSINESS



# Section 3 Property Owners Liability (Continued)

## Extensions (Continued)

### 9. Vehicles (Tool of Trade Use)

Notwithstanding Exclusion 4 of this Section the INSURER will indemnify the INSURED in respect of their liability arising out of

- a. the use in the course of the BUSINESS of any mechanically propelled vehicle (or trailer attached to it) as a tool of trade
- b. the loading or unloading of or the bringing of a load to or the taking of a load from any vehicle machine or trailer

but this indemnity shall not apply in respect of such liability for which compulsory insurance or security is required under any legislation governing the use of the vehicle

### 10. Wrongful Arrest

The INSURER will indemnify the INSURED against all sums which the INSURED becomes legally liable to pay as damages costs and claimants expenses as the result of charges of wrongful arrest, false imprisonment, assault, slander or other actionable wrong being made against the INSURED arising out of any allegation of shoplifting or other improper conduct by any customer or customers or any other person or persons other than EMPLOYEES of the INSURED at the INSURED's PREMISES during the period of insurance

Provided always that the INSURER shall not indemnify the INSURED against costs and expenses incurred by the INSURED or their solicitors in defending any charge arising out of any incident which might or does give rise to a claim

### 11. Financial Loss

The INSURER will indemnify the INSURED in respect of all sums which the INSURED becomes legally liable to pay as damages in respect of claims for financial loss

Provided that

- a. the cover excludes the first £10,000 or 10% whichever is greater to a maximum of £50,000 of each and every loss
- b. the cover provided by this Extension will not be for the benefit of the MANAGING AGENT
- c. the cover excludes liability assumed by agreement which would not have attached in the absence of such agreement
- d. the cover excludes liability arising from INJURY or DAMAGE
- e. the claim is made in writing to the INSURED
  - i. within the current period of insurance or
  - ii. within 90 days of the expiry of the period of insurance where the Policy is not renewed with the INSURER

The claim must be reported to the INSURER as soon as reasonably practicable and no later than 30 days after the period specified in ii) above

# Section 3 Property Owners Liability (Continued)

## Extensions (Continued)

- f. the cover excludes liability arising out of any cause happening before the inception date of this Extension
- g. The cover excludes any liquidated damages, fees, penalties, exemplary, punitive or multiplied damages, circumstances notified to previous insurers or known to the INSURED at the inception of this Extension

The total liability of the INSURER in respect of this Extension for such financial loss happening during any one period of insurance shall not exceed £100,000 including Additional Costs and Fees

## 12. Automatic Cover – Newly Acquired Properties Alterations & Additions

The insurance by this section extends to include newly acquired or newly erected PREMISES or alterations additions or extensions to PREMISES from the time the INSURED becomes responsible for such BUILDINGS following practical completion and insofar as they are not otherwise insured

Provided that

- a. the liability of the INSURER in respect of this cover shall not exceed the amount shown on the Schedule as the Limit of Indemnity
- b. in respect of newly acquired or newly erected PREMISES the INSURED shall notify RIS as soon as practicable and pay any additional premium required
- c. in respect of alterations additions or extensions to PREMISES cover shall apply until the renewal date immediately following the INSURED becomes responsible for such BUILDINGS

## Provisions

### 1. Acquisitions

The INSURER will indemnify any Subsidiary Company notified to the Company which is a property owner founded or acquired by the INSURED after the inception date of this Policy

For the purposes of this Provision a Subsidiary Company is a Company registered in the TERRITORIAL LIMITS and conforming to the description of a Subsidiary Company in the Companies Act 1985

### 2. Contribution

If at the time of any EVENT or claim there is any other insurance applicable to such EVENT or claim the INSURER shall not be liable under this Section of this Policy except in respect of any amount beyond the amount which would have been payable under such other insurance had this Policy not been effected

### 3. Rights of the INSURER

The INSURER may at any time pay any Limit of Indemnity for any one EVENT shown on the Schedule (after deduction of any sum or sums already paid) or any less amount for which any claim or claims can be settled and then relinquish the conduct and control of the claim or claims and be under no further liability in respect of the claim or claims except for the payment of costs and expenses incurred with the written consent of the INSURER prior to the date of such payment

# Section 4 Employers Liability

## The Cover

The INSURER will indemnify the INSURED subject to the Limit of Indemnity shown on the Schedule for this Section against legal liability for damages and claimants costs and in respect of INJURY to any EMPLOYEE caused during any period of insurance and arising out of and in the course of employment or engagement of such person by the INSURED in the BUSINESS within the TERRITORIAL LIMITS or while temporarily engaged in work outside the TERRITORIAL LIMITS

The liability of the INSURER (inclusive of all costs and expenses payable) for all damages payable to any claimant or number of claimants in respect of any one EVENT shall not exceed the amount shown on the Schedule as the Limit of Indemnity for any one EVENT

Provided that the liability of the INSURER under this Section for damages cost and expenses payable in respect of any one claim against the INSURED or series of claims against the INSURED arising out of one EVENT in respect of liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from War Civil War Terrorism or Political Risk (as defined below) shall not exceed £5,000,000

For the purposes of this Section War Civil War Terrorism or Political Risk means war invasion acts of foreign enemies hostilities or warlike operations (whether war to be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution military or usurped power martial law confiscation or nationalisation or requisition or destruction of property by or under the order of any Government or public or local authority Terrorism or any action taken in controlling preventing suppressing or in any way relating to any of the above

For the purposes of this Section Terrorism means an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or part for political religious ideological or similar purposes

If the INSURER alleges that by reason of the War Civil War Terrorism or Political Risk limitation above, any INJURY, cost or expense is not covered or is covered only up to the limit of £5,000,000, the burden of proving the contrary shall be upon the INSURED.

## Costs and Fees

The INSURER will pay in respect of any claim which may be the subject of indemnity under the terms of this Section

- a. legal fees for representation at any coroners inquest or inquiry in respect of any death or proceedings in any court arising out of any alleged breach of statutory duty resulting in any EVENT which may be the subject of indemnity under this Section
- b. all other costs and expenses incurred with the written consent of the INSURER

Provided that all such legal fees costs and expenses in respect of any one claim are included within the Limit of Indemnity for any one EVENT as shown on the Schedule

# Section 4 Employers Liability (Continued)

## Exclusions

The INSURER shall not provide indemnity in respect of liability arising directly or indirectly by, through or in connection with the ownership, possession or use by or on behalf of the INSURED, of any:

1.
  - a. mechanically propelled vehicle or mobile plant for which insurance is required under any legislation governing the use of such vehicle or which is licensed for road use, provided that if no indemnity is afforded by any other Policy this Exclusion shall not apply to the bringing to or taking away of the load from any vehicle in connection with the loading or unloading of such vehicle
  - b. aircraft, hovercraft, drilling platform or rig and other offshore platforms or watercraft (other than hand propelled watercraft), railways, railway locomotives or carriages
  - c. pressure vessel, lifting apparatus or other item of plant owned by the INSURED or the maintenance for which the INSURED is responsible which has not been inspected to the extent required and approved by statutory regulations
  - d. firearms
2. liability arising from or in connection with any work in or on:
  - a. towers, steeples, chimney shafts, blast furnaces, dams, canals, viaducts, bridges or tunnels or public highways
  - b. aircraft, hovercraft, airports or airfields, railways, watercraft other than hand propelled watercraft, docks or harbours, piers, wharves, breakwaters or sea walls
  - c. collieries, mines, quarries, chemical works, gas works, oil refineries or bulk storage facilities for gas or oil, power stations, wind farms, nuclear installations or establishments
3. liability arising from or in connection with:
  - a. any work in or on any offshore installation or support vessel
  - b. travel to, from or between any offshore installation or support vessel or
  - c. work undertaken from an offshore installation or support vessel.
4. liability for INJURY for which the INSURED is required to arrange insurance or security in accordance with road traffic legislation.

# Section 4 Employers Liability (Continued)

## Extensions

### 1. Compensation for Court Appearance

The INSURER will pay the INSURED at the undernoted daily rates for the attendance of any director partner or any individual employed by the INSURED under a contract of service or apprenticeship at court as a witness at the request of the INSURER in connection with a claim under this Section

- |   |      |
|---|------|
| a. any of the INSURED's directors or partners   | £500 |
| b. any individual employed by the INSURED under a contract of service or apprenticeship | £250 |

### 2. Indemnity to Other Persons

The INSURER will also indemnify

- a. any director partner or EMPLOYEE of the INSURED while acting in connection with the BUSINESS in respect of liability for which the INSURED would have been entitled to indemnity if the claim had been made against the INSURED
- b. any PRINCIPAL to the extent that the contract or agreement between the INSURED and such PRINCIPAL requires indemnity
- c. the legal representative of any person entitled to indemnity under this Extension in respect of liability incurred by such person

Provided that

- a. any person entitled to indemnity under this Extension shall endeavour to observe and be subject to the terms and conditions of this Policy so far as they can reasonably apply
- b. the INSURER shall have the sole conduct and control of any claim

### 3. Unsatisfied Court Judgements

The INSURER will pay to an EMPLOYEE (or his legal personal representative) at the request of the INSURED the amount of the damages and awarded costs remaining unsatisfied six months after the date a judgement was obtained against another party domiciled in the TERRITORIAL LIMITS for INJURY to that EMPLOYEE occurring during the period of insurance and arising out of and in the course of the EMPLOYEES engagement by the INSURED in the BUSINESS

Whereupon the EMPLOYEE (or legal personal representative) shall assign the judgement to the INSURER

The INSURER shall not be liable

- a. for Judgements obtained in any Court situated outside the TERRITORIAL LIMITS
- b. where an appeal against a judgement remains outstanding
- c. in respect of any judgement obtained against the INSURED or any director partner or EMPLOYEE of the INSURED in those respective capacities

# Section 4 Employers Liability (Continued)

## Provisions

### 1. Acquisitions

The INSURER will indemnify any Subsidiary Company notified to the INSURER which is a property owner founded or acquired by the INSURED after the inception date of this Policy

For the purposes of this Provision a Subsidiary Company is a Company registered in the TERRITORIAL LIMITS and conforming to the description of a Subsidiary Company in the Companies Act 1985

### 2. Contribution

If at the time of any EVENT or claim there is any other insurance applicable to such EVENT or claim the INSURER shall not be liable under this Section of the Policy except in respect of any amount beyond the amount which would have been payable under such other insurance had this Policy not been effected

### 3. Employers Liability Recovery

The INSURED shall repay to the INSURER all sums paid by the INSURER solely due to the provisions of any law relating to the compulsory insurance of liability to EMPLOYEES in the TERRITORIAL LIMITS which the INSURER would not have been liable to pay but for the provision of such law

### 4. Rights of the INSURER

The INSURER may at any time pay any Limit of Indemnity for any one EVENT shown in the Schedule (after deduction of any sum or sums already paid) or any less amount for which any claim or claims can be settled and then relinquish the conduct and control of the claim or claims and be under no further liability in respect of the claim or claims except for the payment of costs and expenses

- a. incurred with the written consent of the INSURER prior to the date of such payment
- b. up to the Limit of Indemnity for any one EVENT shown in the Schedule if the claim or claims have been settled for any amount less than such limit of Indemnity

## Section 5 Legal Defence Costs

The INSURER will provide indemnity to the INSURED and if the INSURED so requests any EMPLOYEE of the INSURED up to the Limit of Indemnity in respect of:

- a. legal costs and other expenses incurred with the INSURER's written consent
- b. costs awarded against the INSURED or any EMPLOYEE

in connection with the defence of criminal proceedings brought or in appeal against a conviction arising from such proceedings relating to an offence alleged to have been committed during any period of insurance in the course of the BUSINESS but only in respect of proceedings brought as stated in Parts A and B below

### Part A

In respect of a breach of

- a. the Health and Safety at Work etc Act 1974 or the Health and safety at Work (Northern Ireland) Order 1978 or the Corporate Manslaughter and Corporate Homicide Act 2007 where the proceedings relate to the health safety and welfare of any EMPLOYEE director or partner of the INSURED

### Part B

In respect of a breach of

- a. the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or the Corporate Manslaughter and Corporate Homicide Act 2007 where the proceedings relate to the health safety and welfare of any person other than an EMPLOYEE
- b. Part II of the Consumer Protection Act 1987

Provided that in respect of Parts A and B

- a. the indemnity will not apply
  - i. to compensation ordered or awarded by a Court of Criminal Jurisdiction
  - ii. where INJURY to any person or loss of or DAMAGE to PROPERTY has occurred
  - iii. to liability arising outside the TERRITORIAL LIMITS
  - iv. for a breach that was as a result of an intentional or deliberate act
  - v. where indemnity is provided by any other insurance
  - vi. to proceedings consequent upon any deliberate act or omission by
    - 1. the INSURED
    - 2. any partner or director of the INSURED
    - 3. any EMPLOYEE with any specific responsibility for compliance with the legislation specified above which could reasonably have been expected to constitute a breach of the legislation specified above
- b. the indemnity will only apply where shown as Operative on the Schedule
- c. the INSURER may at any time pay the Limit of Indemnity (less any sums already paid) or any less amount for which at the absolute discretion of the INSURER the claims arising can be settled but including any amount for which the INSURER may be responsible prior to the date of such payment. The INSURER will then relinquish control of such claims and be under no further liability in respect thereof
- d. where the INSURER is liable to indemnify more than one person the total amount of indemnity in respect of damages shall not exceed the Limit of Indemnity

# Section 6 Eviction of Unauthorised Occupants

## The Cover

The INSURER will indemnify the INSURED for LEGAL EXPENSES incurred in LEGAL PROCEEDINGS actioned in the TERRITORIAL LIMITS to regain possession of BUILDINGS subject to an INSURED INCIDENT

Provided that the maximum amount payable shall not exceed the Limit of Indemnity shown on the Schedule

## General Conditions relating to this Section

### Reasonable Precautions

The INSURED shall take all reasonable precautions to avoid any BUILDINGS becoming occupied by any party other than the TENANT

### Claims Handling

All claims under this Section of the Policy shall be handled directly by the INSURER or by a Company authorised by them

## Claims Conditions relating to this Section

### Notification of Claims — Action by the INSURED

The INSURED must notify the INSURER immediately on becoming aware of the unauthorised occupation of any BUILDINGS

### Consent to pay Legal Expenses

Consent to pay LEGAL EXPENSES must be obtained in writing from the INSURER. LEGAL EXPENSES incurred before such consent is given will not be covered

Consent will be given if the INSURED can satisfy the INSURER that there are reasonable prospects of successfully pursuing the LEGAL PROCEEDINGS

The decision to grant consent will take into account the advice of the INSURED's APPOINTED REPRESENTATIVE as well as that of the INSURER's own advisors the INSURER may require at the INSURED's expense an opinion of Counsel on the merits of the LEGAL PROCEEDINGS If the claim is subsequently admitted the INSURED's costs in obtaining such an opinion will be covered under this Insurance

If the INSURED decides to commence or continue LEGAL PROCEEDINGS for which the INSURER has denied support and is successful the INSURER will pay LEGAL EXPENSES as if consent had been given in the first instance

### Arbitration

Any dispute between the INSURED and the INSURER shall be referred to a single arbitrator who shall be either a solicitor or barrister agreed upon by both parties or failing agreement one who is nominated by the President of the appropriate Law Society or by the Bar Council or appropriate professional body within the TERRITORIAL LIMITS

All costs of the arbitration shall be met in full by the party against whom the decision is made if the decision is made in favour of the INSURER the INSURED's costs shall not be recoverable under this Insurance this procedure does not prejudice any right of the INSURED to have recourse to any other complaints procedure to which the INSURER subscribes or to the COURTS



# Section 6 Eviction of Unauthorised Occupants (Continued)

## Conduct of LEGAL PROCEEDINGS

### a. Nomination of the APPOINTED REPRESENTATIVE

In the period before the INSURER can agree that LEGAL PROCEEDINGS are necessary the INSURER may take on and conduct in the INSURED's name any negotiations on behalf of the INSURED the INSURED must agree to a settlement which is reasonable

If the INSURER agrees that LEGAL PROCEEDINGS are necessary but they are not able or the INSURED does not wish them to act for them the INSURER will agree with the INSURED an APPOINTED REPRESENTATIVE to act for the INSURED the INSURER will suggest a shortlist of representatives who will be willing and able to act for the INSURED and the INSURED can choose an APPOINTED REPRESENTATIVE from this shortlist If the INSURED prefers not to use an APPOINTED REPRESENTATIVE from this shortlist the INSURER will consider the INSURED's choice

The INSURED will need to satisfy the INSURER that the chosen APPOINTED REPRESENTATIVE has the necessary expertise to deal with the LEGAL PROCEEDINGS and will not charge more for the LEGAL PROCEEDINGS than a representative on the shortlist unless the INSURED is willing to pay the difference between the INSURED's chosen APPOINTED REPRESENTATIVES fees and those of a representative on the shortlist

In some circumstance the INSURER may not accept the APPOINTED REPRESENTATIVE that the INSURED has suggested but the INSURER will explain why any dispute arising from the nomination procedure may be referred to arbitration as provided for above

In selecting the APPOINTED REPRESENTATIVE the INSURED shall have regard to the common law duty to minimise the cost of any LEGAL PROCEEDINGS in all cases the APPOINTED REPRESENTATIVE shall be appointed in the name of and on behalf of the INSURED

### b. All information must be given to the APPOINTED REPRESENTATIVE

The APPOINTED REPRESENTATIVE must be given all information and assistance required this must include a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the INSURED's possession The INSURED must obtain or execute all documents as may be necessary and attend any meetings or conferences when requested

### c. Access to the APPOINTED REPRESENTATIVE

The INSURER is entitled to obtain from the INSURED's APPOINTED REPRESENTATIVE any information document or advice relating to LEGAL PROCEEDINGS whether or not privileged on request the INSURED will give any instructions necessary to ensure such access

### d. Instruction of Counsel or Appointment of Expert Witnesses

If in the course of LEGAL PROCEEDINGS the APPOINTED REPRESENTATIVE wishes to instruct Counsel or appoint expert witnesses the INSURER will not unreasonably withhold consent the names of counsel or the expert witnesses must be submitted to the INSURER together with an explanation of the necessity for such action

# Section 6 Eviction of Unauthorised Occupants (Continued)

## Conduct of LEGAL PROCEEDINGS continued

### e. Offer of settlement

The INSURED must inform the INSURER in writing as soon as an offer to settle LEGAL PROCEEDINGS or an indication of a payment into COURT is received the INSURED must not enter into any agreement to settle without the INSURER's prior written consent

### f. Payment of LEGAL EXPENSES

All communications relating to any LEGAL PROCEEDINGS which the INSURED receives from the APPOINTED REPRESENTATIVE should be forwarded to the INSURER without delay. Bills must be certified by the INSURED to the effect that the charges have been properly incurred and that the INSURER is authorised to settle on the INSURED's behalf. Gross sum bills must be accompanied by a breakdown setting out the work done and rates applied

If requested the INSURED must ask the APPOINTED REPRESENTATIVE to submit the bill of costs for taxation or certification by the appropriate Law Society or COURT in accordance with the provisions of the Solicitors Act 1974 and/or the Solicitors Remuneration Order 1972

The provision of indemnity for any LEGAL EXPENSES does not imply that all LEGAL EXPENSES will be paid. If the INSURED is in doubt the INSURER should be consulted

The INSURED must not without the INSURER's written consent enter into any agreement with the APPOINTED REPRESENTATIVE as to the payment of LEGAL EXPENSES. Any consent may be withdrawn at any time

### g. Recovery of costs and expenses

The INSURED through the APPOINTED REPRESENTATIVE shall be responsible for the repayment to the INSURER of any award of costs in favour of the INSURED or any costs agreed to be paid to the INSURED as part of any settlement

## Appeal Procedure

If the INSURED wishes to appeal against the judgement of a COURT reasons must be submitted to the INSURER and its consent obtained. This application must be sent by recorded delivery at least ten working days before the final date for lodging the appeal and the INSURED will be informed of the INSURER decision. If the INSURER so requires the INSURED must co-operate in an appeal against the judgement of a COURT

## Exclusions

This Section of the Policy does not cover

### 1. Pre-Existing Conditions

LEGAL PROCEEDINGS arising out of the unauthorised occupation of any BUILDINGS where such unauthorised occupation occurred prior to the inception of this insurance

### 2. Fraud or Dishonesty

Defending any LEGAL PROCEEDINGS arising from or relating to any actual or alleged dishonesty fraud or malicious conduct of the INSURED unless such LEGAL PROCEEDINGS are successfully defended

## Section 7 Terrorism

The insurance provided by Section 1 Property Damage and Section 2 Rent (if shown as operative on the Schedule of this Policy) is extended to include DAMAGE to insured PROPERTY as shown on the Schedule within GREAT BRITAIN and loss of RENT, cost of reletting and additional expenditure resulting therefrom caused by TERRORISM occurring during the period of insurance

Provided always that

- a. in any action suit or other proceedings where the INSURER alleges that any DAMAGE or loss resulting from DAMAGE is not covered by this Section the burden of proving that such DAMAGE is covered shall be upon the INSURED
- b. this Section is not subject to any of the Exclusions specified in this Policy other than those applying specifically in respect of this Section as stated in items i. to vi.. below
- c. this Section is subject to all the terms and conditions of this Policy unless otherwise specified in this Section
- d. the INSURER's liability in respect of all losses arising out of any one occurrence and in the aggregate in any one period of insurance will not exceed the sums insured or limits shown on the Schedule in respect of insured PROPERTY or as otherwise specified in the Policy.

The INSURER will not pay for:

- i. DAMAGE to any BUILDING or PROPERTY therein insured under this Policy, in the name of an individual or individuals, which is occupied as a private residence or any part thereof which is so occupied except as expressly varied in exclusions ii. and iii. of this Section
- ii. DAMAGE to blocks of flats and/or private dwelling houses or PROPERTY therein insured under this Policy, in the name of an individual or individuals, (other than where such individuals are sole traders, partners in an unincorporated business partnership or trustees and provided they do not occupy any part of the property for their own residential purposes)
- iii. DAMAGE to any BUILDING or PROPERTY therein comprising mixed commercial and residential usage which is insured under this Policy, in the name of an individual or individuals, and/or owned and/or occupied in any part by such individual or individuals unless the commercially occupied proportion of the BUILDING is more than 20%
- iv. chemical biological or radioactive contamination defined as any loss whatsoever or any expenditure resulting or arising therefrom or any CONSEQUENTIAL LOSS directly or indirectly caused by or contributed to by or arising from:
  - a. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
  - b. ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
  - c. chemical biological or radiological irritants contaminants or pollutants

in respect of properties occupied as a private residence or any part thereof which is so occupied and/or PROPERTY therein insured under this Policy, in the name of an individual or individuals, except where such properties are insured for TERRORISM under this Section by virtue of the variations to exclusions ii. or iii. above

- v. riot civil commotion war and allied risks defined as any loss whatsoever directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

## Section 7 Terrorism

- vi. digital or cyber risks defined as any loss whatsoever 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 receives or retrieves DATA or any part thereof, whether tangible or intangible (including but without limitation any information or programs or software)
  - or
  - b. any alteration modification distortion erasure corruption of DATA processed by any such computer or other equipment or component or SYSTEM or item

whether owned by the INSURED or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from VIRUS or HACKING or PHISHING or DENIAL OF SERVICE ATTACK

### **Condition applicable to this Section**

If this Policy is subject to any Long Term Agreement or Undertaking it does not apply to this Section.

### **Condition Precedent to Liability applicable to this Section**

It is a condition precedent to the INSURER's liability to pay claims that:

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

For the purposes of this condition, property and premises owned by the INSURED or for which the INSURED is responsible includes those pertaining to subsidiary companies.

# General Conditions

## 1. Cancellation

### The INSURED's Cancellation Rights

During the first Period of Insurance, the INSURED has the right to cancel this Policy within 14 days of:

- i receipt of the Policy wording and Schedule or
- ii the inception date of this Policy

whichever is the later, by contacting RIS to confirm cancellation. Cancellation will take effect from the date that RIS receive the INSURED's cancellation instructions. Provided no claim has been made and there has been no incident known to the INSURED prior to cancellation which may give rise to a claim, the INSURED will be entitled to a full refund of the premium paid. Should a claim be submitted after such refund has been provided, payment of the premium in full will be required before the INSURER can deal with the claim. The INSURER will only deal with claims occurring during the period commencing on or after inception up to the cancellation of this Policy.

The INSURED may cancel this Policy at any other time by contacting RIS to confirm cancellation. The INSURED will be entitled to the return of a proportionate part of the premium paid in respect of the unexpired Period of Insurance provided no claim has been made during the Period of Insurance in which the cancellation is to take effect. If a claim has been made, the INSURER will deduct the cost of the claim (or the estimated cost where the claim is outstanding) from the refund due. The INSURED will not be entitled to any refund if:

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

### The INSURER's Cancellation Rights

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

- a a liquidator, administrator or insolvency practitioner is appointed to administer the BUSINESS
  - b the BUSINESS is permanently discontinued
  - c the INSURED's interest ceases other than as a result of the INSURED's death
- unless the INSURER agrees otherwise in writing.

In addition to a, b and c of this condition and any right to cancel under more specific conditions, the INSURER also has the right to cancel this Policy at any other time by sending 7 days' notice in writing to the INSURED's last known address.

Reasons for cancellation under this condition may include but are not limited to:

- a a change to the risk which makes it one the INSURER would not normally accept
- b the INSURED failing to co-operate with or provide information to the INSURER which affects the INSURER's ability to underwrite the risk.

The INSURED will be entitled to the return of a proportionate part of the premium paid in respect of the unexpired Period of Insurance provided no claim has been made during the Period of Insurance in which the cancellation is to take effect. If a claim has been made, the INSURER will deduct the cost of the claim (or the estimated cost where the claim is outstanding) from the refund due. The INSURED will not be entitled to any refund if:

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

## 2. Fraud

The INSURER will not pay for any claim that is deliberately exaggerated or where the INSURED or anyone acting for the INSURED uses, or attempts to use, fraudulent means to obtain benefits under this Policy. If the INSURED or they do, or attempt to:

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

The INSURER may inform the police and fraud prevention agencies of the circumstances.

# General Conditions (Continued)

## 3. Misrepresentation

The INSURED must make a fair presentation of the risk to the INSURER. This means the INSURED must disclose at inception or variation to this Policy and prior to each renewal every material circumstance which the INSURED knows or ought to know and not make misrepresentations to the INSURER. If the INSURED does not make a fair presentation to the INSURER, the INSURER can:

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

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

## 4. Reasonable Precautions

The INSURED shall take all reasonable care:

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

## 5. Subject to Survey

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

- a. the INSURED allowing the INSURER to undertake a survey at each of the INSURED's premises (where required) by a date agreed in writing by the INSURER. The INSURER may appoint a surveyor to do the survey for them
- b. the INSURED complying with our acceptance criteria
- c. the completion of any risk improvements required within the timeframe advised by the INSURER.

The cost of completing any risk improvement requirements will be met by the INSURED. If the INSURED does not allow the INSURER to complete the survey by the agreed date the INSURER may exercise their right to cancel this Policy in accordance with General Condition 1 The INSURER's Cancellation Rights. For the period between inception date and the completion date of the survey the INSURER agree to cover the INSURED in accordance with the terms, conditions and exclusions of this Policy.

In the event the survey does not reflect the details supplied to the INSURER by the INSURED or on the INSURED's behalf, or if any of the risk improvement requirements are not completed by the agreed date the INSURER give the INSURED in writing following the survey, the INSURER have the right to amend the premium, terms, conditions and exclusions of this Policy, or to cancel this Policy in accordance with General Condition 1 The INSURER's Cancellation Rights.

## 6. Notice of Unoccupancy/Occupancy

It is a condition precedent to the INSURER's liability under Section 1 Property Damage and Section 2 - Rent that the INSURED must advise the INSURER as soon as the INSURED becomes aware that:

- a the PREMISES or a BUILDING or self contained unit within a BUILDING becomes UNOCCUPIED
- b the PREMISES or a BUILDING or self contained unit within a BUILDING becomes occupied after a period of being UNOCCUPIED.

Following notification of unoccupancy or occupancy, the INSURER will have the right to amend the premium, terms, conditions and exclusions of this Policy, or may exercise the INSURED's right to cancel this Policy in accordance with General Condition 1 The INSURER's Cancellation Rights.



# General Conditions (Continued)

## 7. Law Applicable to the Contract

Unless the INSURER has agreed differently with the INSURED in writing, this contract will be governed by English law, and the INSURED and the INSURER agree to submit to the non-exclusive jurisdiction of the courts of England and Wales (unless the INSURED lives in Jersey in which case the law of Jersey will apply and the Jersey courts will have exclusive jurisdiction)

## 8. Language

Unless agreed otherwise, the contractual terms and conditions and other information relating to this contract will be in the English language.

## 9 Contracts (Rights of Third Parties) Act 1999

Except as provided by General Condition 10 – Personal Representatives, no party to this Policy intends that any term of this Policy should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person, persons or corporate body who is not a party to this Policy.

## 10 Personal Representatives

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

- a INJURY or
- b DAMAGE to PROPERTY

provided that:

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

# General Claims Conditions

These conditions apply to the whole Policy unless otherwise stated.

## 1 Claims Procedure - INSURED's Responsibilities

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

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

## 2 Claims Procedure - INSURER's Rights

The INSURER shall:

- a be allowed by the INSURED to enter the PREMISES where DAMAGE has occurred and take and keep possession of any PROPERTY insured
- b not accept any PROPERTY being abandoned to the INSURER
- c have complete control of any proceedings and the settlement of any claim.

## 3 Subrogation

Before or after any payment is made by the INSURER, they can at their option:

- a negotiate, defend or settle, in the INSURED's name and on the INSURED's behalf, any claims made against the INSURED
- b take legal action in the INSURED's name but for the INSURER's benefit to get back any payment the INSURER have made under this Policy.

## 4 Contribution

(Not applicable to Section 3 – Property Owners Liability, Section 4 – Employers Liability or Section 5 – Legal Defence Costs)

If the INSURED has any other insurance policies that cover the same DAMAGE or liability as this Policy, the INSURER will only pay their rateable proportion of any claim.

## 5 Arbitration

(Not applicable to Section 3 – Property Owners Liability, Section 4 – Employers Liability or Section 5 – Legal Defence Costs)

If the INSURER agrees to pay the INSURED's claim, but the INSURED disagrees with the amount to be paid, such difference shall be referred to an arbitrator jointly appointed by the INSURED and the INSURER in accordance with the Arbitration Act. The INSURED may not take legal action against the INSURER over this disagreement until the arbitrators have made their decision.



# General Claims Conditions (Continued)

## **6 Automatic Reinstatement**

(Not applicable to Section 3 – Property Owners Liability, Section 4 – Employers Liability or Section 5 – Legal Defence Costs)

Upon notification of a claim to the INSURER, unless the INSURER or the INSURED give written notice to the contrary, the Sums Insured will be reinstated to their full amount provided that:

- a the INSURED will pay the appropriate additional premium from the date of the loss to the expiry of the period of insurance if the INSURER request the additional premium
- b the total of the amounts reinstated during any one period of insurance will not exceed the Sum Insured shown on the Schedule.

# General Exclusions

This Policy does not cover

## 1. Electronic Risks

Any DAMAGE, INJURY or liability directly or indirectly caused by, contributed to by or arising from:

- a DAMAGE to any SYSTEM or item which processes, stores, transmits, receives or retrieves DATA whether owned by the INSURED or not and whether tangible or intangible (including any DATA or information or programs or software) where such DAMAGE is caused by programming or operating error by any person, acts of malicious persons, VIRUS, HACKING, DENIAL OF SERVICE ATTACK or failure of any external network
- b the erasure, loss, distortion or corruption of DATA or unauthorised access to or modification of DATA or information on SYSTEMS or other records, programs or software
- c any misinterpretation, use or misuse of DATA or information on SYSTEMS or other records or software
- d unauthorised transmission of DATA to any third party, or transmission of any VIRUS
- e DAMAGE to any other PROPERTY directly or indirectly caused by or arising from DAMAGE described in a, b, c or d of this exclusion

but this shall not exclude accidental DAMAGE or loss of RENT which results from PERILS and is not otherwise excluded except for acts of malicious persons which do not involve physical force or violence.

## 2. Radioactive Contamination

Any INJURY or DAMAGE to any property whatsoever or any loss or expenses whatsoever resulting or arising therefrom or any CONSEQUENTIAL LOSS or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

As far as concerns INJURY caused to any EMPLOYEE of the INSURED if such INJURY arises out of and in the course of employment or engagement of such person by the INSURED this Exclusion shall apply only in respect of:

- a the liability of any PRINCIPAL
- b liability assumed by the INSURED under the terms of a contract or agreement where liability would not have attached in the absence of such contract or agreement

## 3. War and Allied Risks (not applicable to Section 4 - Employers Liability)

Any INJURY or DAMAGE to any property whatsoever or any loss or expenses whatsoever resulting or arising therefrom or any CONSEQUENTIAL LOSS or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a riot or civil commotion except to the extent that it is specifically insured
- b war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

## 4. Northern Ireland

Any DAMAGE to any PROPERTY in Northern Ireland directly or indirectly caused by, contributed to by or arising from riot or civil commotion or (except in respect of accidental DAMAGE or loss of RENT caused by fire or explosion) labour disturbances or malicious persons.

## 5. Fines or Penalties

Liquidated damages punitive exemplary or aggravated damages fines penalties or compensation ordered or awarded by a Court of Criminal Jurisdiction (these are damages in excess of normal compensation aimed to punish the INSURED).

# General Exclusions (Continued)

## 6. Asbestos

Any liability of whatsoever nature arising out of mining, processing, manufacturing, removing, disposing of, distributing or storing of asbestos or products made entirely or mainly of asbestos.

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

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

## 7. Deliberate Acts

Any DAMAGE to PROPERTY of the INSURED caused by or arising from any deliberate act or omission by the INSURED or any director or partner of the INSURED.

In addition, the following General Exclusion applies:

## 8. Sanctions

The INSURER will not provide any cover or be liable to provide any indemnity or payment or other benefit under this Policy to the extent that providing such cover, indemnity, payment or benefit would expose the INSURER or any of the INSURER's group of companies to the violation of any:

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