

policy document

PROPERTY OWNERS INSURANCE



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Introduction

Thank you for choosing Ecclesiastical

We specialise in insurance for property owners and investors, charities, educational establishments, heritage properties, care establishments, churches and home insurance, alongside a range of other insurance and financial services products.

Policy information

The policy is divided into a number of sections. Your schedule will show which sections are in force and for how much you are insured.

Please read the policy and schedule carefully. If you have any queries or wish to change your cover, contact us immediately.

We will send you an updated schedule whenever the cover is changed and at each annual renewal date. The most recent schedule will provide the details of your current cover. Please retain this with your policy booklet, together with any special notices we send you about the policy.

Please also retain all other schedules so you may check what cover applied on any specific date should you need to do so.

If your needs change, please tell us.

How we use your data

Your privacy is important to us. We will process your personal data in accordance with data protection laws.

Ecclesiastical Insurance Office plc ("**we**", "**us**", "**our**") is the data controller in respect of any personal data which you provide to us or which we hold about you and any personal data which is processed in connection with the services we provide to you.

Where you provide us with personal data about a person other than yourself (such as a dependant or named person under a policy), you must inform them that you are providing their personal data to us and refer them to this notice.

To provide our insurance related services, we will collect and process your personal data such as your name, contact details, financial information and any information which is relevant to the insurance policy we

are providing. In order to provide your insurance policy or when making a claim, we may also need to collect or process 'special categories of personal data' such as information relating to your health or criminal convictions or information which is likely to reveal your religious beliefs.

We process your personal data for the purposes of offering and carrying out insurance related services to you or to an organisation or other persons which you represent. Your personal data is also used for business purposes such as fraud prevention, business management, systems development and carrying out statistical and strategic analysis.

Providing our services will involve sharing your personal data with, and obtaining information about you from, our group companies and third parties such as brokers, loss adjusters, credit reference agencies, fraud prevention agencies, our service providers and professional advisors, or business partners and our regulators.

In some circumstances we may transfer your personal data to countries outside of the European Economic Area. We will put appropriate safeguards in place to ensure that your personal data is protected.

Where we have your consent, we may market our services to you or provide your personal data to our related companies or business partners for marketing purposes. You can opt out of marketing communications at any time by clicking on the link at the bottom of any email or by contacting us.

Fraud Prevention

We need to carry out fraud and anti-money laundering checks, and this will involve sharing your personal data (such as your name, contact details and financial information) with credit reference and fraud prevention organisations such as the Claims and Underwriting Exchange, run by MIB. If you make a claim, we will share your personal data (to the extent necessary) with other companies including other insurers and anti-fraud organisations to prevent fraud. For the purposes of deciding whether to accept and pay a claim or any part of it, we may appoint loss adjusters or external investigation services to act on our behalf.

If false or inaccurate information is provided and fraud is identified, your personal data will be passed to fraud prevention agencies including the Insurance Fraud Register, run by the Insurance Fraud Bureau. Law enforcement agencies may access and use this information.

Please note that when carrying out any fraud prevention activities, we may need to process your special categories of data such as criminal offence information and share it with fraud prevention agencies.

Further Information

For further information on how your personal data is used and your rights in relation to your personal data please refer to our Privacy Policy at www.ecclesiastical.com/privacypolicy or contact our Data Protection Officer at Beaufort House, Brunswick Road, Gloucester GL1 1JZ or on **0345 6073274** or email compliance@ecclesiastical.com.

Claims enquiries

For new claims the services are available 24 hours a day, 7 days a week.

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

**For claims other than Legal expenses
claims call:**

0345 603 8381

For Legal expenses claims call:

**DAS Legal Expenses Insurance Company
Limited**

0345 268 9124

For all claims

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

Helpline services

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

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

Emergency glass replacement

0800 474747

This is provided by Glassolutions Installation. If you suffer glass breakage you can call upon the services of Glassolutions Installation who will effect a rapid repair.

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

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

The following are provided by DAS Law Limited and/or a preferred law firm on behalf of DAS Legal Expenses Insurance Company Limited (DAS).

You can contact DAS' UK-based call centre 24 hours a day, seven days a week. However, they may need to arrange to call you back depending on the enquiry. To help them check and improve their service standards, DAS may record all inbound and outbound calls, except those to the counselling service. When phoning, please quote reference number TS5/6764925

DAS will not accept responsibility if the Helpline services are unavailable for reasons they cannot control.

Business assistance

0345 268 9124

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

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

Eurolaw commercial legal advice

0345 268 9124

DAS can provide legal advice on any commercial legal problem affecting the business, under the laws of any European Union country, the Isle of Man, the Channel Islands, Switzerland and Norway. Wherever possible the Legal Advice helpline aims to provide immediate advice from a qualified legal advisor. However if this is not possible DAS will arrange a call back at a time to suit you.

DAS' legal advisors provide advice on the laws of England and Wales 24 hours a day, 7 days a week, 365 days a year. Where advice is sought in an area of law beyond this jurisdiction or in respect of very specialist matters, DAS will refer you to one of their specialist advisors. This will include European law and certain areas of law for Scotland and Northern Ireland.

Specialist advice is provided 9am-5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will call you back.

Tax advice (commercial)

0345 268 9124

DAS can provide confidential advice over the phone on any tax matters affecting the business, under the laws of the United Kingdom.

Tax advice is provided by tax advisors 9am-5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will call you back.

Counselling

0345 266 9667

DAS can provide all your employees (including any members of their immediate family who permanently live with them) with a confidential counselling service over the phone, if they are aged 18 or over (or aged between 16 and 18 and in full-time employment), including where appropriate, onward referral to relevant voluntary and/or professional services. Any costs arising from the use of these referral services will not be paid by DAS.

The counselling service helpline is open 24 hours a day, seven days a week.

Information services

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

Employment manual

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit **www.dasinsurance.co.uk/employment-manual**.

All the sections of this web-based document can be printed off for your own use. Contact DAS at **employmentmanual@das.co.uk** with your email address, quoting your Ecclesiastical policy number prefixed with 'EIG', and they will contact you by email to inform you of future updates to the information.

DAS businesslaw

Using **www.dasbusinesslaw.co.uk** you can create ready-to-sign contracts, agreements and letters in minutes. Developed by solicitors and tailored by you using DAS' smart document builders. You can also buy legal documents from the site, ranging from simple debt recovery letters to employment contracts.

The service also provides useful tools, articles and information on matters such as new legislation, employment issues, property law and taxation all regularly updated by legal experts to help you keep your business one step ahead. To access DAS businesslaw, you will need to register at **www.dasbusinesslaw.co.uk**. When asked for your policy number, please insert your Ecclesiastical policy number prefixed with 'EIG' and the password is **DAS472301**

If you experience any problems accessing the service, please email details of your problem to **businesslaw@das.co.uk** with your policy number in the subject box.

General definitions

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

If they are not highlighted the everyday meaning will apply

Asbestos

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

Business

means ***your*** activities as a property owner

Company/we/our/us

means Ecclesiastical Insurance Office plc

Condition precedent to liability

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

Damage

means physical loss destruction or damage

Excess

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

Geographical limits

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

Insured/you/your

means the Insured shown in the schedule

Premises

means that part of the buildings and grounds at the addresses shown in the schedule owned by ***you*** in connection with the ***business***

Unoccupied

means vacant untenanted unfurnished or no longer in active use for a period exceeding 30 consecutive days

Vermin

means any wild animals birds and insects (whether they have protected status or not) that are known to cause ***damage*** or carry disease

Insuring clause

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

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

General exclusions

This policy does not cover the following

1 Excess

Any **excess**

2 Other insurances

Property more specifically insured under another policy

3 Radioactive contamination

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

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

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

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

4 War risks

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

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

5 Terrorism

Definitions specific to this exclusion

Act of terrorism

In respect of

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

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

(b) all other instances

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

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

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

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

This exclusion does not apply to the Terrorism and Liabilities sections

6 Date recognition

Definitions specific to this exclusion

Computer

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

Insurable event

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

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

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

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

but this shall not exclude subsequent **damage** or consequential loss not otherwise excluded which itself results from an **insurable event**

This exclusion does not apply to the Liabilities section

General conditions

1 Policy voidable

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

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

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

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

2 Reasonable care

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

- (a) take all reasonable precautions to prevent **damage** accident illness and disease
- (b) exercise reasonable care in seeing that all statutory and other obligations and regulations are observed and complied with
- (c) maintain the **premises** works machinery and plant in sound condition

3 Alteration of risk

If after the commencement of this insurance

- (a) there is any alteration of risk which increases the risk of **damage** accident or liability
- (b) the **premises** are undergoing alterations or repairs where the contract value exceeds £100,000

- (c) **your** interest ceases except by will or operation of law
- (d) an administrator or a liquidator or receiver is appointed or where **you** enter into a voluntary arrangement
- (e) there is any other material change in use of the **premises**

you must give notice to us as soon as is reasonably possible

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

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

4 Multiple insurances

(a) All sections except those detailed separately below

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

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

(b) Equipment breakdown and Liabilities sections

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

5 Fraudulent claims

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

- (a) repudiate the claim
- (b) recover any payments already made by **us** in respect of the claim
- (c) cancel the policy from the date of the fraudulent act and retain the premium due for the unexpired period of insurance from the date of cancellation up to the renewal date

If **we** cancel the policy **we** will notify **you** in writing by special delivery to **your** last known address

6 Unoccupied buildings

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

- (a) when a building or part of a building insured by this policy becomes **unoccupied** or when an **unoccupied** building or part of a building is again occupied **you** must tell **us** as soon as is reasonably possible

Upon any alteration as described above **we** may at **our** option

- (i) amend the terms and conditions that apply to such buildings and charge an additional premium
 - (ii) cancel the cover for any affected buildings
 - (iii) cancel the policy in accordance with the Cancellation condition
- (b) in respect of any building or part of a building which becomes **unoccupied**
 - (1) **you** must turn off electricity gas and water supplies at the mains and drain down all water systems other than those required to maintain intruder alarm fire alarm and sprinkler installations or other fire suppression security or other risk protection systems or devices
 - (2) **you** must remove all waste and unfixed combustible materials both internally and externally from such buildings
 - (3) **you** must maintain in full and efficient working order and keep operational all alarms sprinkler installations fire suppression systems locks and all other protective and security devices including perimeter security protection at the **premises**
 - (4) where there is a sprinkler installation **you** must maintain the central heating system to prevent freezing and
 - (i) the system should be inspected to ensure it is operating correctly whenever such buildings are inspected

- (ii) the temperature throughout the building must be maintained at not less than 7 degrees Centigrade (45 degrees Fahrenheit)
 - (iii) the system must be serviced and maintained at least annually by an appropriately qualified engineer

- (5) **you** must undertake an internal and external inspection of such buildings at least every 7 days and rectify as soon as is reasonably possible any defects in the fabric of the building or the security or fire protection installations
A record of inspections including remedy of any defects must be maintained
- (6) **you** must permanently seal shut the letterbox
Where the letterbox cannot be sealed shut **you** must fit a metal box or cage to the inside of the letterbox aperture and remove the post from it whenever such buildings are inspected
- (7) **you** must tell **us** as soon as is reasonably possible if such buildings are to be occupied by contractors for any alterations renovations conversions or repairs
- (8) in addition to the Claims condition that requires **you** to tell **us** immediately **you** become aware of any incident that may result in a claim **you** must also tell **us** immediately of any illegal entry to the **premises** whether or not any **damage** has occurred
- (9) **you** must review and update **your** risk assessment (including the fire risk assessment) of such buildings to reflect the change in risk

Unless otherwise agreed by **us** in writing

7 Security

It is a **condition precedent to liability** for **damage** at or to the **premises** caused by theft or attempted theft that all locks bolts and other protective devices fitted to the **premises** be put into full use whenever the **premises** are closed for business and are not attended by **you** or an authorised person for the purpose of the **business**

Where the **premises** are occupied by **you** for **business** and residential purposes

- (a) The **business** portion must be secured as outlined above outside of working hours of the **business**
- (b) The residential portion must be secured as outlined above when this portion is unattended by **you** or **your** family or other authorised persons

Any additional security conditions that apply will be detailed on **your** policy schedule if applicable

8 Fire extinguishing appliances

Where **you** are required to provide fire extinguishing appliances to comply with the Regulatory Reform (Fire Safety) Order 2005 (applicable in England and Wales) or the Fire Scotland Act (2005) and / or any similar or replacement legislation or **you** have otherwise provided fire extinguishing appliances upon which others may rely **you** must have all such appliances inspected and maintained under an annual service contract with a specialist contractor or otherwise competent person

9 Fire alarm installations

It is a **condition precedent to liability** that where any **premises** is protected by an automatic fire alarm installation that

- (a) the installation (including any automatic alarm signalling) shall be maintained in full and efficient working order at all times and all reasonable steps taken to prevent damage to the installation
- (b) an undertaking shall be in force with engineers who are LPS 1014 or BAFE SP203 approved (or engineers as otherwise accepted by us) to maintain the automatic fire alarm installation and written confirmation shall be obtained from them that the installation is in satisfactory working order following each inspection
- (c) the testing servicing and maintenance requirements specified by the manufacturer of the equipment/installing engineers shall be carried out and any defect revealed by the testing promptly rectified
- (d) immediate notice shall be given to **us** if the level of response to the automatic fire alarm has been or will be reduced or delayed
- (e) where there is an external alarm signal **you** shall appoint at least two keyholders and lodge written details (which must be kept up to date) with the alarm receiving centre
- (f) in the event of notification of any activation or alarm fault of the automatic fire alarm a keyholder shall attend the **premises** as soon as possible
- (g) immediate notice shall be given to **us** of any disconnection or failure of the automatic fire alarm installation (including any automatic alarm signalling) and any precautions **we** instruct **you** to take shall be acted upon
- (h) advance notice is given to **us** if it is proposed that any part of the

- (1) installation (including any automatic alarm signalling) is to be extended altered repaired or rendered inoperative
- (2) **premises** is to be extended or altered and obtain **our** prior written agreement
- (i) records of all alarm faults disconnections tests and maintenance visits are kept and made available when required to **our** representatives
- (j) **our** access to the **premises** is permitted at all reasonable times for the purpose of inspecting and witnessing the testing of the installation

Unless otherwise agreed by **us** in writing

10 Intruder alarms

Definitions specific to this condition

Intruder alarm system

means the component parts of the intruder alarm system including the means of communication used to transmit signals

Keyholder(s)

means **you** or any person or keyholding company authorised by **you** who is available at all times to accept notification of faults or alarm signals relating to the **intruder alarm system** and attend and allow access to the **premises**

It is a **condition precedent to liability** that where any **premises** is protected by an **intruder alarm system** that

- (a) the **intruder alarm system** shall be installed in accordance with the specification agreed in writing by **us** and no alteration or variation of the system or any structural alteration to the **premises** which would affect the system shall be made without **our** written consent
- (b) the **intruder alarm system** shall be maintained in full and efficient working order at all times and be serviced under a maintenance contract approved by **us** and immediate notice of any apparent defect in the **intruder alarm system** or its signalling shall be given to the maintenance contractor
- (c) the **intruder alarm system** shall be tested and set whenever the alarmed portion of the **premises** is closed for business and is not attended by **you** or any person authorised by **you** to be responsible for the security of the **premises** provided that any detection devices and their

circuits connected for continuous protection shall be fully operative at all times

- (d) all keys including duplicate keys and notes of combination locks/electronic pass codes letters and numbers relative to the **intruder alarm system** shall be removed from the buildings of the **premises** whenever they are closed for business and are left unattended provided that at such times if part of the **premises** is occupied residentially by **you** or an authorised employee the said keys shall be removed from the business portion of the **premises** to the part occupied residentially
- (e) immediate advice shall be given to **us** of any notice from the police or a security organisation that **intruder alarm system** signals may be or will be disregarded
- (f) **you** shall appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the alarm company and police authorities
- (g) in the event of notification of any activation of the **intruder alarm system** or interruption of the means of communication during any period that the **intruder alarm system** is set a **keyholder** shall attend the **premises** as soon as reasonably possible

Unless otherwise agreed by **us** in writing

11 Arbitration

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

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

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

This condition does not apply to the Legal expenses section

12 Cancellation

(a) Your right to cancel in the cooling-off period

You have 14 days from receiving the policy to write to the sender confirming that **you** do not wish to continue

No charge will be made and any premium **you** have already paid will be refunded

(b) Your right to cancel after the cooling-off period

If **you** do not cancel the policy within the 14 day cooling-off period mentioned above the policy is in force and **you** are committed to pay the premium

However **you** can still cancel the policy providing **you** give **us** notice in writing

As long as **you** have not made a claim **you** will receive a refund of the part of **your** premium which covers the cancelled period providing this exceeds £10

If **you** have made a claim then the full annual premium is due

(c) Our right to cancel

(1) Non-payment of premium

(i) If you do not pay your premium by instalments

Unless otherwise agreed with **us we** will not provide cover under this policy unless **you** pay the premium by the due date

If **you** do not pay the premium by the due date **we** will send notice of the outstanding premium to **you** and give **you** a further period of at least 14 days from the due date in which to pay the outstanding amount

If payment is still not received in the timescale **we** have advised the policy is cancelled from the outset

(ii) If you pay your premium by instalments

Unless otherwise agreed with **us we** will not provide cover under this policy unless **you** pay the first instalment of premium when requested

If the first instalment of premium is not received the policy is cancelled from the outset

If **you** pay the first instalment of premium but default on any subsequent instalments **we** may cancel the policy with effect from the date the first outstanding instalment was due by notifying **you** in writing

If **your** instalment plan is provided by **us** **we** will send notice of any outstanding instalment to **you** and advise the date when **we** will re-present **our** payment request to the bank

This will not be less than 14 days from the date on which **our** payment request was originally presented

We will not cancel the policy for failure to pay the premium or any instalment of premium if such failure is due to error on **our** part or on the part of **your** broker bank or building society

(2) Other cancellation rights

In addition to **our** rights under

- (i) Non-payment of premium above and
- (ii) Policy voidable Alteration of risks and Fraudulent claims conditions

we have the right to cancel **your** policy at any time by giving **you** at least fourteen days' notice in writing sent by special delivery to **your** last known address where **we** have a valid reason for doing so

Our cancellation letter will set out the reason why **we** are cancelling **your** policy

Valid reasons for cancelling **your** policy may include but are not limited to

- (a) circumstances which are outside **our** reasonable control for example
 - where the law requires that **we** cancel **your** policy
 - where the continuation of **your** policy would result in **us** breaching any applicable law or regulation that applies to **your** policy
- (b) **you** receiving a criminal conviction which results in a custodial sentence

If **we** cancel **your** policy for a valid reason in accordance with **our** rights under (2) above and **you** do not pay **your** premium by instalments **we** will refund the part of **your** premium which relates to the period remaining under **your** policy which has been cancelled by **us**

If **you** have made a claim under **your** policy **we** will not refund any part of **your** premium and **you** will be required to pay **us** any unpaid premium

13 Sanctions

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

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

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

14 Assignment

You shall not assign any of the rights or benefits under this policy or any section of this policy without **our** prior written consent

We will not be bound to accept or be affected by any notice of trust charge lien of purported assignment or other dealing with or relating to this policy or any section of this policy

15 Law applicable

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

16 Rights of third parties

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

Claims conditions

Your duties

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

- (a) take all practicable steps to recover property lost and otherwise minimise the claim
- (b) tell the police as soon as is reasonably possible if the **damage** is caused by thieves malicious persons vandals or as a result of riot civil commotion strikes or labour disturbances
- (c) tell **us** as soon as **you** become aware
- (d) within 30 days (7 days for **damage** by riot civil commotion strikes or labour disturbances) give **us** at **your** expense any information **we** require and continue to provide **us** with any information and assistance **we** require before or after **we** pay **your** claim under the policy
- (e) not make or allow to be made on **your** behalf any admission offer promise payment or indemnity without **our** written consent
- (f) forward to **us** every letter claim writ summons and process immediately upon receipt without acknowledgement and advise **us** in writing as soon as **you** have any knowledge of any impending prosecution inquest or inquiry in connection with that event

Additional conditions apply to Legal expenses cover which are detailed in the section and which include conditions relating to **your** legal representation

Our rights

We may

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

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

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

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

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

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

We will then relinquish control of the claim and have no further liability except for any Public liability claim (other than any claim originating from within the legal jurisdiction of the United States of America or Canada) **we** will also pay any legal costs incurred prior to the date of such payment

Additional conditions apply to Legal expenses cover which are detailed in the section and which include conditions relating to **your** legal representation

Property damage

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

Definitions

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

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

Buildings

means the buildings at the **premises** including

- (a) landlord's fixtures and fittings including fixed glass and sanitary fixtures
- (b) outbuildings storage tanks walls gates and fences
- (c) piping ducting cables wires and associated control gear and accessories on the **premises** and extending to the public mains but only to the extent of **your** responsibility
- (d) satellite dishes fixed to the buildings
- (e) the following items fixed to the buildings
 - (i) wind turbines less than 10kw
 - (ii) solar panels less than 50kw
 - (iii) photovoltaic panels less than 50kw
 subject to a limit of £20,000 in the aggregate in any one period of insurance
- (f) yards car parks roads and pavements
- (g) artificial playing surfaces swimming pools and associated apparatus
- (h) for private dwelling houses and blocks of flats the following garages tennis courts patios and hedges belonging to the private dwelling and used for domestic purposes

Excluding

- (i) bridges land piers jetties excavations and marquees
- (ii) natural or artificial
 - (a) water courses
 - (b) confines of any body of standing water including but not limited to
 - (1) dams reservoirs culverts canals moats rivers and lakes
 - (2) any man-made elements attaching to or forming part of such structures

- (iii) property or structures in the course of construction or erection and all materials or supplies in connection with such property or structure except as specifically provided for by the Minor contract works extension

unless more specifically mentioned in this policy or its schedule

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

Contents of common parts

means

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

But excluding

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

Heave

means upward movement of the ground beneath the site on which the **premises** stand as a result of the soil expanding

Insured event(s)

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

Item(s) insured

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

Landslip

means downward movement of sloping ground at the site on which the **premises** stand

Settlement

means downward movement as a result of the

- (a) normal settlement or bedding-down of structures
- (b) settlement or movement of made-up ground

Subsidence

means downward movement of the ground beneath the site on which the **premises** stand

Cover

We will indemnify **you** in respect of **damage** to the **item(s) insured** at the **premises** or elsewhere as stated in the schedule by any **insured event** happening during the period of insurance

Insurable events

1 Fire lightning and explosion

Fire not caused by

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

Lightning

Explosion excluding

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

2 Aircraft

Aircraft and other aerial devices or articles dropped from them excluding **damage** occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

3 Riot

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

- (a) resulting from cessation of work
- (b) occasioned by confiscation or destruction or requisition by order of the government or any public authority
- (c) to any building which is **unoccupied**

4 Malicious persons

Malicious persons excluding **damage**

- (a) resulting from cessation of work
- (b) by theft or attempted theft
- (c) to moveable property in the open except as specifically provided for in the Property in the open extension
- (d) occasioned by confiscation or destruction or requisition by order of the government or any public authority
- (e) to any building which is **unoccupied**

5 Earthquake

6 Subterranean fire

7 Storm

Storm excluding **damage**

- (a) by
 - (i) the escape of water from the normal confines of any natural or artificial water course or lake reservoir canal or dam
 - (ii) inundation from the sea whether resulting from storm or otherwise
- (b) attributable solely to change in the water table level
- (c) by frost **subsidence** or **landslip**
- (d) to fences gates hedges and moveable property in the open
- (e) to any building which is **unoccupied**

8 Flood

Flood caused by

- (a) the escape of water from the normal confines of any natural or artificial water course or lake reservoir canal or dam

(b) inundation from the sea

but excluding

- (i) **damage** attributable solely to change in the water table level
- (ii) **damage** by frost **subsidence** **landslip** or **heave**
- (iii) **damage** to fences gates hedges and moveable property in the open
- (iv) **damage** to any building which is **unoccupied**

9 Escape of water

Escape of water from any tank apparatus or pipe including **damage** to any water tank apparatus or pipe itself caused by freezing of water

Excluding **damage**

- (i) by water discharged or leaking from an installation of automatic sprinklers
- (ii) to any building which is **unoccupied**

10 Impact

Impact by any road or rail vehicle or animal

11 Falling trees

Accidental **damage** caused by falling trees branches telegraph poles lamp posts or pylons

Excluding **damage** which is specifically insured by any other insurable event

12 Falling aerals

Accidental **damage** caused by falling television and radio receiving aerals aerial fittings and masts satellite dishes wind turbines solar panels photovoltaic panels and security equipment attached to a building

Excluding

- (i) **damage** which is specifically insured by any other insurable event
- (ii) **damage** to the television and radio receiving aerals aerial fittings and masts satellite dishes wind turbines solar panels photovoltaic panels and security equipment itself

13 Escape of oil

Escape of oil from any fixed oil fired heating installation or storage tank caused by a sudden identifiable unintended and unexpected incident which has taken place in its entirety at a specific time and place during the period of insurance

Excluding **damage** to any building which is **unoccupied**

14 Sprinkler leakage

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

Excluding **damage** to any building which is **unoccupied**

15 Accidental damage

Any other accidental **damage** excluding **damage**

- (a) which is
 - (i) specifically insured by any other insurable event
 - (ii) specifically excluded by any other insurable event
 - (iii) is otherwise excluded elsewhere in this section
- (b) caused by or consisting of inherent vice latent defect depreciation gradually operating causes wear and tear frost its own faulty or defective design or materials faulty or defective workmanship by **you** or any of **your** employees operational error or omission by **you** or any of **your** employees But this shall not exclude subsequent **damage** which itself results from a cause not otherwise excluded
- (c) caused by or consisting of corrosion dust rust wet or dry rot contamination mildew shrinkage evaporation loss of weight dampness dryness marring scratching **vermin** change in temperature colour flavour texture or finish
- (d) caused by or consisting of erasure loss distortion or corruption of information on computer systems or other records programs or software
- (e) to property resulting from its undergoing any process of cleaning dyeing restoration production packing treatment testing commissioning servicing or repair
- (f) caused by atmospheric and climatic conditions
- (g) consisting of
 - (i) joint leakage failure of welds or cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith

- (ii) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates
- (h) caused by or consisting of
 - (i) acts of fraud or dishonesty
 - (ii) disappearance unexplained or inventory shortage misfiling or misplacing of information
- (i) to a building or structure caused by its own collapse or cracking
- (j) to moveable property in the open fences gates and hedges by wind rain hail sleet snow or dust
- (k) to wind turbines solar panels and photovoltaic panels
- (l) to any building which is **unoccupied**
- (m) to fixed glass or sanitary fixtures

16 Subsidence

Subsidence heave or landslip excluding **damage**

- (a) attributable solely to change in the water table level
- (b) to bridges boundary walls gates fences piping ducting cables wires and associated control gear and accessories yards car parks roads and pavements storage tanks artificial playing surfaces and swimming pools unless also resulting in **damage** to a building insured under this policy
- (c) caused by or consisting of
 - (i) **settlement**
 - (ii) coastal or river erosion
- (d) caused by defective design or workmanship or the use of defective materials
- (e) caused by fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe
- (f) which originated prior to the inception of cover
- (g) resulting from
 - (i) demolition construction structural alteration or repair of any property
 - (ii) groundworks or excavation at the same **premises**

Special condition

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

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

17 Theft or attempted theft

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

- (a) involving entry to or exit from the buildings of the **premises** by forcible and violent means
- (b) following actual or threatened assault or violence

Excluding

- (i) **damage** to the **buildings**
- (ii) theft or attempted theft from any building which is **unoccupied**

Exclusions

The cover provided by this section excludes

- (1) **damage** caused by pollution or contamination but this shall not exclude **damage** to the property insured not otherwise excluded caused by
 - (a) pollution or contamination which itself results from any of the **insured events** other than Accidental damage
 - (b) any of the **insured events** other than Accidental damage which itself results from pollution or contamination
- (2) consequential loss of any kind
- (3) Definitions specific to exclusion (3)

Data

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

Failure of a system

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

Microchip

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

System

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

Virus

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

damage to

- (a) **data** which shall include but shall not be limited to
 - (i) **damage** to or corruption of **data** whether in whole or in part
 - (ii) unauthorised appropriation of use of access to or modification of **data**
 - (iii) unauthorised transmission of **data** to any third parties
 - (iv) **damage** arising out of any misinterpretation use or misuse of **data**
 - (v) **damage** arising out of any operator error in respect of **data**
- (b) any items insured arising directly or indirectly from
 - (i) the transmission or impact of any **virus**
 - (ii) unauthorised access to a **system**
 - (iii) interruption of or interference with electronic means of communication used in the conduct of **your business** including but not limited to any diminution in the performance of any website or electronic means of communication
 - (iv) **failure of a system**
 - (v) anything described in (a) above but in respect of (b) (i) (b) (ii) (b) (iii) and (b) (iv) this shall not exclude subsequent **damage** or loss resulting from subsequent **damage** which itself results from a cause not otherwise excluded provided that such **damage** does not arise by reason of any malicious act or omission
- (4) **damage** to any electrical plant or apparatus caused by self-ignition but this exclusion shall apply only to that part of the electrical plant or apparatus in which self-ignition occurs

Basis of settlement

We will pay up to the value of the **item(s) insured** at the time of the **damage** or at **our** option repair reinstate or replace the **item(s) insured** in accordance with the following

1 Reinstatement

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

For this purpose "reinstatement" means

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

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

Special conditions applicable to this basis of settlement

- 1 If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item subject to this basis of settlement exceeds its sum insured at the time of commencement of any **damage our** liability shall not exceed that proportion of the amount of the **damage** which the said sum insured adjusted for index-linking shall bear to the sum representing the total cost of reinstating the whole of such property at that time
- 2 **Our** liability for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- 3 No payment beyond the amount which would have been payable in the absence of this basis of settlement shall be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement shall have been actually incurred

- (c) if the property insured at the time of its **damage** shall be insured by any other insurance effected by **you** or on **your** behalf which is not upon the same basis of reinstatement
- 4 **We** shall not be bound to reinstate exactly or completely any property that is the subject of a claim but only as circumstances permit and in reasonably sufficient manner
We shall not pay out in respect of any one of the **items insured** more than its sum insured
- 5 All the terms and conditions of the policy shall apply
 - (a) in respect of any claim payable under this basis of settlement except insofar as they are varied hereby
 - (b) where claims are payable as if this basis of settlement had not been incorporated

2 Day One Basis – non-adjustable

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

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

“Declared value” means **your** assessment of the cost of reinstatement of the property insured (as defined in Basis of settlement - Reinstatement) at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with insofar as the insurance by the item provides due allowance for
 - (a) the additional cost of reinstatement to comply with the stipulations defined in the European Union and Public Authorities (including undamaged portions) extension
 - (b) professional fees
 - (c) debris removal costs
- 2 At the inception of each period of insurance **you** shall notify **us** of the declared value of the property insured by each of the said item(s)

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

- 3 In respect of each item to which this extension applies the following replaces Special conditions 1 and 5 of Basis of settlement - Reinstatement

- (1) Each item insured under this basis of settlement is declared to be separately subject to the following condition of underinsurance namely

If at the time of **damage** the declared value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph 1 of the Day One memorandum) at the inception of the period of insurance then **our** liability shall be limited to that proportion thereof which the declared value bears to such cost of reinstatement

- (4) Where by reason of any of the above Special conditions no payment is to be made beyond the amount which would have been payable under the policy if this basis of settlement had not been incorporated the rights and liabilities of the **Company** and the **Insured** in respect of the **damage** shall be subject to the terms of the policy including any condition of underinsurance as if this basis of settlement had not been incorporated except that the sums insured shall be increased in proportion with the additional amount charged in respect of this memorandum

3 Loss of market value

If **you** elect not to rebuild or repair the **buildings** and **we** choose not to reinstate **buildings** lost destroyed or damaged as set out in Basis of settlement 1 and 2 above **we** will pay the reduction in the market value of the **buildings** immediately following **damage** solely as a result of the **damage** but not exceeding the amount which would have been payable had the **buildings** been rebuilt or repaired and in no case shall the total amount recoverable under any item exceed its sum insured

4 Buildings awaiting refurbishment redevelopment or renovation

In respect of **buildings** awaiting refurbishment redevelopment or renovation **we** will not be liable for any costs which would have been incurred by **you** had the **damage** not occurred

Limit of liability

Our liability in any one period of insurance shall not exceed the sum insured for each **item insured** or any other limit of liability in this section and in total shall not exceed the total sum insured for all items

Irrespective of the number of insured parties **our** total liability to all the insured parties collectively in respect of the cover insured by this section shall not exceed the total sum insured for all items or in respect of any item its sum insured or any other stated limit of liability

Any payment or payments by **us** to any one or more insured party shall reduce the extent of **our** liability to all parties by the amount of such payment in respect of any one event giving rise to a claim under this section

Automatic reinstatement of sum insured

The sums insured stated in the schedule will be automatically reinstated by the amount of any claim **we** pay provided that

- (a) **we** have not given **you** notice within 30 days of **you** reporting the **damage** that **we** will not reinstate the sum insured
- (b) **you** pay any such additional premium as may be required
- (c) **you** complete any improvements to security or other measures **we** may require at the **premises**
- (d) in respect of **damage** by theft or attempted theft reinstatement of the sum insured will apply only once during each period of insurance at each separate **premises**

Memoranda

1 Index-linking

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

The annual renewal premium will be amended accordingly

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

2 Underinsurance

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

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

3 Adjustment of premium

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

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

4 Designation

For the purpose of determining where necessary the heading under which any property is insured **we** agree to accept the designation under which such property has been entered in **your** books

5 72 hour provision

All individual losses arising out of and directly occasioned by the Insurable events of Storm Flood or Earthquake occurring continuously or intermittently within 72 consecutive hours is deemed to be one event and one **excess** will apply

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

6 Subrogation waiver

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

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

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

- (c) any tenant of the **premises** provided that the **damage** did not result from a criminal fraudulent or malicious act of the tenant

Extensions

The insurance provided by this section is extended to include the following (subject to the **excess** applying to the **insured event** causing the **damage**)

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

1 Non-invalidating

The cover by this section shall not be invalidated by any act omission or alteration whereby the risk of **damage** is increased unknown to **you** or beyond **your** control provided that you immediately on becoming aware of this give notice to **us** and pay an additional premium if required

2 Other interests

The interest in the **buildings** insured by this section of any mortgagees lessees and freeholders of the property is noted

3 Fees

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

4 Removal of debris

- (a) Costs and expenses necessarily incurred by **you** with **our** consent in
- (i) removing debris
 - (ii) dismantling and/or demolishing
 - (iii) shoring up or propping
- of the portion or portions of the property insured by the said items destroyed or damaged by any **insured event** it being understood that the amount payable for such **damage** and costs incurred under (i) (ii) and (iii) shall not exceed in the aggregate the sum insured by each item

- (b) Irrecoverable costs and expenses necessarily incurred by **you** with **our** consent in removing the debris of contents (not belonging to **you**) destroyed or damaged by an **insured event** occurring at the **premises** provided the total amount payable including such costs and expenses shall not exceed the buildings sum insured to which such contents relate
- (c) Costs and expenses necessarily incurred by **you** with **our** consent in removing fallen trees within the grounds of the **premises**
Provided that
- (1) the trees have fallen as a result of an **insured event** and
 - (2) the buildings of the **premises** are damaged by the same **insured event** occurring at the same time and a claim for this **damage** has been admitted by **us**
- (d) Costs and expenses necessarily incurred by **you** with **our** consent in removing debris of any **buildings** awaiting demolition
Provided that
- (1) the costs and expenses are solely as a result of **damage** by an **insured event**
 - (2) a claim for this **damage** has been admitted by **us**
- We** will not pay for any costs or expenses
- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
 - (ii) arising from pollution or contamination of property not insured by this section

5 Reinstatement to match

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

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

The amount payable shall not exceed in the aggregate the sum insured by each item

6 Temporary removal

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

Limit

10% of the sum insured on the relevant **buildings** or **contents of common parts** item in any one period of insurance

7 European Union and Public Authorities (including undamaged portions)

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

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

(hereinafter referred to as "the Stipulations")

Excluding

- (a) the cost incurred in complying with the Stipulations
 - (i) in respect of **damage** occurring prior to the granting of this extension
 - (ii) in respect of **damage** excluded or otherwise not insured by this section
 - (iii) under which notice has been served upon **you** prior to the happening of the **damage**
 - (iv) for which there is an existing requirement which has to be implemented within a given period
- (b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- (c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner of the property by reason of compliance with the Stipulations

Special conditions applicable to this extension

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

8 Emergency services damage to the grounds

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

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

9 Loss of oil gas or water

We will pay for

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

- (c) theft of oil from any storage tank used for the heating system at **your premises** provided theft is an **insured event** under this policy

The most **we** will pay in respect of any one claim and in the aggregate for all claims in any one period of insurance is £10,000

10 Loss minimisation expenses

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

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

The most **we** will pay in respect of any one claim and in the aggregate for all claims in any one period of insurance is £5,000

11 Glass and sanitary fixtures

(only applicable if the insurable event of Accidental damage is insured)

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

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

Excluding **damage**

- (i) for which the tenant is responsible under the terms of any lease
- (ii) which is
 - (a) more specifically insured by any insurable event
 - (b) specifically excluded by any insurable event
 - (c) is otherwise excluded elsewhere in this section

- (iii) to glass sanitary fixtures or signs already damaged at the commencement of the insurance
- (iv) to glass by scratching or chipping
- (v) to glass while not fixed
- (vi) caused by or traceable to alterations to the **premises** or in the glass whereby the risk of **damage** is increased
- (vii) to bulbs or tubes unless the signs in which they are contained are damaged at the same time
- (viii) to any building which is **unoccupied**

The **excess** applicable to losses under this extension shall be equal to the **excess** applied in respect of the insurable event of Accidental damage

12 Sale of the building

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

Provided that

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

13 Damage to the buildings by theft

(only applicable if the insurable event of Theft or attempted theft is insured)

The insurance extends to include

- (a) repairs to the **buildings** following theft or attempted theft of the fabric of the **buildings** excluding following the theft of external metal provided that the **buildings** are insured under this section
Limit
up to £7,500 in any one period of insurance
- (b) repairs to the **buildings** following theft or attempted theft of external metal provided that the **buildings** are insured under this section
Limit
up to £7,500 in any one period of insurance
- (c) **damage** to the **buildings** caused by theft or attempted theft of **contents of common parts**
Limit
up to £7,500 in any one period of insurance

- (d) **damage** to **buildings** directly caused as a result of the entry of rainwater following the theft or attempted theft of the fabric of the **buildings** including external metal
- Limit
up to £7,500 in any one period of insurance

This extension does not apply

- (i) when scaffolding is erected at the **premises** unless **we** have agreed in writing to continue cover
- (ii) in respect of any **unoccupied premises**

14 Lock replacement following loss or theft of keys

(only applicable if the insurable event of Theft or attempted theft is insured)

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

- (a) accidental loss of keys
- (b) damage to keys or the locks at the **premises**
- (c) theft of keys from the **premises** or from **your** home or the home of any principal director partner or employee authorised to hold such keys

Limit
£2,500 any one claim
£5,000 any one period of insurance

15 Property in the open

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

Limit
£5,000 any one claim

For the purpose of this extension

- (i) the Theft or attempted theft insurable event includes theft or attempted theft not involving forcible and violent entry
- (ii) the exclusion under the insurable event of Malicious persons relating to moveable property in the open does not apply

16 Trace and access

The costs and expenses necessarily and reasonably incurred by **you** with **our** consent in locating the source of **damage** caused by an escape of oil or water from

any fixed water or heating system in the **buildings** and in subsequent repair of **damage** caused by locating the source

Limit
£25,000 any one claim

17 Underground pipes and cables

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

Excluding **damage** which is

- (a) specifically insured by any insurable event under this section
- (b) specifically excluded by any insurable event under this section
- (c) is otherwise excluded elsewhere in this section

18 Clearing of drains

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

Limit
£50,000 any one claim

19 Extinguisher and alarm resetting expenses

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

20 Sprinkler upgrade costs

The additional costs incurred in upgrading an automatic sprinkler installation to the current Loss Prevention Council Rules (only when the upgrade is imposed upon **you** by **us**) following **damage** to the **buildings** provided that at the time of **damage** the installation conformed to the 29th Edition Rules for Automatic Sprinkler Installations or any subsequent amendment or revised edition as issued by the Loss Prevention Council and current at the time of installation but did not conform to subsequent amendments to those Rules

The most **we** will pay under this extension is 20% of the sum insured on the building

21 Unauthorised use of utilities

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

Limit

£5,000 any one claim

£10,000 any one period of insurance

22 Private residences (Temporary accommodation)

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

- (a) residents' temporary accommodation and storage of furniture
- (b) kennel accommodation for the residents' domestic cat(s) and dog(s)
- (c) travelling expenses

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

The most **we** will pay under this extension is

- (i) 20% of the sum insured on the building in respect of private dwelling houses
- (ii) 20% of the sum produced by dividing the buildings sum insured by the number of flats in respect of each private flat

for a maximum period of 24 months from the date of **damage**

23 Fly tipping

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

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

Limit

£2,500 any one claim

£5,000 any one period of insurance

24 Landscaping costs

The necessary and reasonable costs to restore landscaped gardens or grounds at the **premises** following **damage** by the **insured events** to its appearance when first planted

Excluding

- (i) **damage** by the insurable events of storm or flood
- (ii) any cost arising from the failure of seed to germinate or trees plants or turf to become established

Limit

£2,500 any one claim

£5,000 any one period of insurance

25 Trees

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

Limit

£500 any one claim

£2,500 any one period of insurance

26 Removal of insect nests

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

Limit

£500 any one claim

The following extensions increase the sums insured that apply but only to the extent stated

27 Capital additions

Under the Buildings and Contents of common parts items

- (a) alterations and additions to the property insured but not in respect of any appreciation in value up to 20% of the total sum insured on such property or £500,000 in respect of both **buildings** and **contents of common parts** whichever is the less

- (b) newly acquired property so far as it is not otherwise insured anywhere in the **geographical limits** up to a limit of £2,000,000 any one property and £1,000,000 in respect of any **unoccupied** building

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

28 Contractors interests clause

Where **you** are required to insure the **buildings** in the joint names of **you** and any contractor or sub-contractor under the terms or conditions of any contract covering works at the **buildings** the interest of the contractor or sub-contractor is noted provided that **you** notify **us** of any single contract valued at £100,000 or more in advance of the start date of the works and pay any additional premium **we** may require

29 Inadvertent omission to insure

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

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

Provided that

- (a) immediately on becoming aware of
 - (i) premises not insured
 - (ii) any premises not insured for all the **insured events** insured by this policy **you** shall arrange insurance from the date on which **your** responsibility attached and pay the appropriate additional premium
- (b) this extension shall not apply to any premises covered under the Capital additions extension of this section
- (c) **our** liability any one claim shall not exceed £2,000,000 any one premises and £500,000 any one **unoccupied** premises

30 Privity of contract

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

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

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

The most **we** will pay in respect of any one claim and in the aggregate for all claims in any one period of insurance is £1,000,000

31 Accidental omission of Value Added Tax

For any **buildings** item **we** will pay the Value Added Tax payable by **you** which has been inadvertently omitted from the sum insured and which **you** are not subsequently able to recover provided that

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

- 4 **we** will not pay any amounts in relation to penalties imposed upon **you** for late or non-payment of Value Added Tax
- 5 for the purposes of any underinsurance penalty rebuilding costs shall be exclusive of Value Added Tax
- 6 **our** liability may exceed the sum insured by an item or in the whole the total sum insured where such additional amount is solely for Value Added Tax due

32 Minor contract works

Explanatory notes

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

Definitions specific to this extension

All risks

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

Contractor(s)

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

Contract works

means the permanent works and the temporary works executed in performance of the **insured contract** including all unfixed materials and goods

delivered to placed on or adjacent to the permanent or temporary works and intended for incorporation in them in performance of the contract at the **premises**

Excluding tools contractors plant and equipment site huts and other temporary accommodation and their contents

Insured contract

means any JCT minor standard or intermediate building contract in which **you** are the employer and are required to take out a joint names policy or any similar contract with **our** written agreement

Provided that

- (i) the value of the contract does not exceed £100,000
- (ii) where one project at the **premises** comprises a series of separate contracts a limit of £100,000 applies in the aggregate to all the contracts involved

Site materials

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

Specified perils

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

Cover

We will include any **contract works** in respect of repairs alterations and extensions to existing building structures for **specified perils** or **all risks** as required by the **insured contract**

Provided that

- (a) the **buildings** are insured under this section against all of the **specified perils**
- (b) our liability inclusive of all professional fees and Value Added Tax where applicable shall not exceed £100,000 in respect of the **contract works**

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

- (a) the existing structures and any **contents of common parts** for which **you** are responsible
- (b) the **contract works**

Off-site storage

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

Limit

£7,500 any one storage site

Excluding

- (a) **damage** to
 - (i) deeds bonds bills of exchange promissory notes cash bank notes cheques securities for money or stamps
 - (ii) any craft designed to travel in on or through water air or space
 - (iii) any mechanical plant and equipment
 - (iv) any property (including that being altered or repaired) which already existed at the time of the commencement of the **insured contract** other than **site materials**
 - (v) the permanent works or any part thereof in respect of which a certificate of completion has been issued by or to the **Insured** or which has been completed and handed over to or taken into use with the permission of the **Insured** for a purpose other than for the performance of the **insured contract**
- (b) penalties under the **insured contract** for delay or non-completion or consequential loss of any nature except as specifically provided for under this extension

Equipment breakdown

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

Definitions

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

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

Accident(s)

means

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

Biomass and biogas installations

means any equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant including anaerobic digesters storage tanks augers screeners scrubbers boilers gas engines generators heat exchangers pumps and motors

Breakdown

means

- (a) the actual breaking failure distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden

stoppage and necessitating repair or replacement before it can resume work

- (b) fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative
- (c) the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary

Collapse

means the sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents)

Computer equipment

means

- (a) electronic computer or other data processing and/or storage equipment
- (b) projectors printers scanners and other peripheral devices used in conjunction with (a)
- (c) software and programs licensed to the **insured** and installed on (a)
- (d) **portable computer equipment** owned by **you** or for which **you** are responsible

Covered equipment

means equipment at the **premises** owned by **you** or for which **you** are responsible

- (a) which is built to operate under vacuum or pressure (other than the weight of its contents) or
- (b) that generates transmits stores or converts energy or
- (c) comprising **computer equipment**

Excluding

- (i) any supporting structure foundation masonry brickwork cabinet
- (ii) any insulating or refractory material
- (iii) any vehicle aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment which are included but not the actual vehicle)
- (iv) self-propelled plant and equipment (other than fork lift trucks and pallet trucks used by **you** at **your** premises) dragline excavation or construction equipment
- (v) equipment manufactured by the **Insured** for sale

- (vi) safety or protective devices due to their functioning
- (vii) tools dies cutting edges crushing surfaces trailing cables non-metallic linings driving belts or bands or any part requiring periodic renewal
- (viii) any electronic equipment (other than **computer equipment**) used for research diagnostic treatment experimental or other medical or scientific purposes with a new replacement value in excess of £30,000
- (ix) any **manufacturing production or process equipment** including linked **computer equipment**
- (x) any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
- (xi) any **biomass and biogas installations**

Derangement

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

Explosion

means the sudden and violent rending of the **covered equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **covered equipment** together with forcible ejection of the contents

Hazardous substance

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

Manufacturing production or process equipment

means any machine or apparatus (other than boilers lifts fork lift trucks dock levelers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by **you** and any equipment which exclusively serves such machinery or apparatus

Media

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

Portable computer equipment

means

- (a) laptops palmtops and notebooks
- (b) personal digital assistants (PDA's)
- (c) projectors printers scanners and other peripheral devices which are designed to be carried and used in conjunction with other **portable computer equipment**
- (d) removable satellite navigation systems
- (e) digital cameras

owned by **you** or for which **you** are responsible

Verified

means checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration

Cover

We will indemnify **you** in respect of **damage** to **covered equipment** by any **accident** happening during the period of insurance

Exclusions

We shall not be liable in respect of

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

But if **damage** from an **accident** results **we** shall be liable for that resulting **damage**

 - (c) mould fungus mildew or yeast
 - (d) installation erection dismantling re-siting transportation or removal of **covered equipment** other than re-siting transportation or removal under its own power whilst at its operating site
- (2) **damage** which is recoverable under a maintenance agreement warranty or guarantee

- (3) any liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency of **covered equipment**
- (4) Definitions specific to exclusion (4)

Denial of service attack

means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

This includes but is not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Hacking

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

Virus or similar mechanism

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

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

damage to any **computer equipment** or other equipment or component or system or item which processes stores transmits retrieves or receives data or any part thereof whether tangible or intangible (including but without limitation any information programs software or **media**) and whether **your** property or not where such **damage** is caused by **virus or similar mechanism** or **hacking** or **denial of service attack**

- (5) **damage** cost or expense that is or can be insured elsewhere in this policy
- (6) **damage** caused by or resulting from the deliberate act of any person carried out with the intention to cause **damage**
- (7) **damage** caused by any condition which can be corrected by resetting calibrating realigning

tightening adjusting or cleaning or by the performance of maintenance but if **damage** from an **accident** results **we** shall be liable for that resulting **damage**

Basis of settlement

We will pay up to the value of **covered equipment** at the time of the **damage** or at **our** option repair reinstate or replace the **covered equipment** in accordance with the following

Reinstatement

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

For this purpose 'reinstatement' means

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

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

Special condition applicable to this memorandum

- 1 **Our** liability for the repair or restoration of **covered equipment** that is the subject of an **accident** shall not exceed the amount payable for replacement of the **covered equipment**
- 2 No payment beyond the amount which would have been payable in the absence of this basis of settlement shall be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement shall have been actually incurred
- 3 **We** shall not be bound to reinstate exactly or completely any property that is the subject of a claim but only as circumstances permit and in reasonably sufficient manner

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

- 4 All the terms and conditions of the policy shall apply
- (a) in respect of any claim payable under this memorandum except in so far as they are varied hereby
 - (b) where claims are payable as if this memorandum had not been incorporated

Limit of liability

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

Maximum liability

The total amount **we** will pay in respect of this section shall not exceed

- £5,000,000 in any one period of insurance
- £500,000 any one **accident** for **computer equipment**
- £5,000 any one **accident** for **portable computer equipment**

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

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

Extensions

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

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

1 Portable computer equipment world-wide cover

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

Limit

£5,000 any one **accident**

2 Reinstatement of data

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

Providing that

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

Special condition – Back-up records

You shall maintain a minimum of 2 generations of **verified** back-up computer records taken at intervals no less frequently than 48 hours and take all reasonable precautions to store and maintain records in accordance with the makers recommendations

Limit

£50,000 any one **accident**

3 Increased cost of working

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

Limit

£50,000 any one **accident**

4 Rental income

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

Our liability shall not exceed the sum insured for each item nor in all the total sum insured and in any event **our** maximum liability shall not exceed £100,000 any one period of insurance

Excluding

- (1) any loss resulting from Extension 8 - Damage to own surrounding property
- (2) any delay in resuming operations resulting from the need to reconstruct or re-input data or programs on **media** nor for the costs incurred in so doing where **you** have not fully complied with the Special condition – Back-up records

5 Hazardous substances

Following an **accident we** will also pay the additional cost to repair or replace **covered equipment** which has been contaminated by a **hazardous substance**

This includes any additional expenses incurred to clean up or dispose of such property

Limit

£10,000 any one **accident**

6 Expediting expenses

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

Limit

£20,000 any one **accident**

7 European Union and Public Authorities

(Including undamaged portions)

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

8 Damage to own surrounding property

We shall be liable for **damage** to property belonging to **you** or in **your** custody and control and for which **you** are responsible directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure

Limit

£1,000,000 any one **accident**

9 Hire of substitute item

If **covered equipment** is damaged as a result of an **accident we** shall be liable for the cost of hire charges actually incurred by **you** during the period of insurance for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged

Limit

£10,000 any one **accident**

10 Storage tanks and loss of contents

Damage caused by an **accident** to oil storage tanks or water tanks including connected pipework belonging to **you** or for which **you** are responsible at the **premises**

In addition this extension covers loss of the contents of oil storage tanks caused by

- (a) escape of contents - leakage discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- (b) contamination - contamination of the contents of oil storage tanks caused by or resulting from an **accident** including cleaning costs incurred as a result of such loss

Limit

£10,000 any one **accident**

11 Debris removal

Following an **accident** to **covered equipment we** will pay the costs necessarily incurred for

- (a) the removal of debris and
- (b) the protection of the **covered equipment**

Limit

£25,000 any one **accident**

12 Repair costs investigation

We will pay the costs incurred with **our** prior written consent relating to repair investigations and tests by consulting engineers for **damage** to **covered equipment** following an **accident**

We shall not be liable for costs incurred in preparing a claim under this policy

Limit

£25,000 any one **accident**

Rental income

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

Definitions

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

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

Adjusted

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

Annual rent receivable

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

Computer equipment

means equipment that is electronic computer or other data processing equipment including all forms of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment software and peripherals used in conjunction with such equipment belonging to **you** or for which **you** are responsible

Damage

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

Indemnity period

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

Insured events

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

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

Rent receivable

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

Standard rent receivable

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

Cover

If any property used by **you** at the **premises** suffers **damage** during the period of insurance and as a result the **business** at the **premises** is interrupted or interfered with **we** will pay to **you** for each item in the schedule the amount of loss as a result of the interruption or interference in accordance with the Basis of settlement

Provided that at the time of the **damage** there is insurance in force covering **your** interest in the property at the **premises** against **damage** and payment shall have been made or liability admitted under that insurance (but this proviso shall not apply if no payment is made solely due to an **excess**)

Exclusions

The cover provided by this section excludes loss arising from

- (1) pollution or contamination unless such loss results from **damage** to property used by **you** at the **premises** for the purposes of the **business** and which is not otherwise excluded caused by
 - (a) pollution or contamination at the **premises** which itself results from any of the **insured events** other than Accidental damage

- (b) any of the **insured events** other than Accidental damage which itself results from pollution or contamination
- (2) Definitions specific to exclusion (2)

Data

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

Failure of a system

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

Microchip

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

System

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

Virus

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

damage to

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

- (ii) unauthorised appropriation or use of access to or modification of **data**
- (iii) unauthorised transmission of **data** to any third parties
- (iv) **damage** arising out of any misinterpretation use or misuse of **data**
- (v) **damage** arising out of any operator error in respect of **data**
- (b) any items insured arising directly or indirectly from
 - (i) the transmission or impact of any **virus**
 - (ii) unauthorised access to a **system**
 - (iii) interruption of or interference with electronic means of communication used in the conduct of **your business** including but not limited to any diminution in the performance of any website or electronic means of communication
 - (iv) **failure of a system**
 - (v) anything described in (a) above but in respect of (b) (i) (b) (ii) (b) (iii) and (b) (iv) this shall not exclude loss resulting from subsequent **damage** which itself results from a cause not otherwise excluded provided that such **damage** does not arise by reason of any malicious act or omission
- (3) **damage** to any electrical plant or apparatus caused by self-ignition but this exclusion shall apply only to that part of the electrical plant or apparatus in which self-ignition occurs

Basis of settlement

Rent receivable items

The amount payable is limited to

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

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

- (i) for loss of **rent receivable** the amount by which the **rent receivable** during the **indemnity period** shall as a result of the **damage** fall short of the **standard rent receivable**
- (ii) additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in loss of **rent receivable** which but for that expenditure would have taken place during the **indemnity period** in

consequence of the **damage** but not exceeding the amount of the reduction in **rent receivable** avoided

less any sum saved during the **indemnity period** for such expenses of the **business** payable out of **rent receivable** which cease or are reduced as a result of the **damage**

Provided that

- (1) **our** maximum liability shall not exceed on each item of **rent receivable** 200% of the sum insured to take into account any rent reviews which would normally have taken place but for the occurrence of **damage** during the **indemnity period**
- (2) if the sum insured is less than the **annual rent receivable** (or a proportionately increased multiple of it where the maximum indemnity period exceeds 12 months) the amount payable shall be proportionately reduced

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

Limit of liability

Our liability shall not exceed the sum insured for each item or any other limit of liability stated in this section and in total **our** liability shall not exceed the total sum insured for all items unless expressly varied in this section

Memoranda

Alternative trading clause

If during the **indemnity period** the **business** is conducted elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf the money paid or payable in respect of rent will be taken into account in arriving at the **rent receivable** during the **indemnity period**

Professional accountants' charges

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

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

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

Payments on account

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

Current cost accounting

Any adjustments implemented in current cost accounting shall be disregarded

Value Added Tax

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

72 hour provision

All individual losses arising out of and directly occasioned by the Insurable events of Storm Flood or Earthquake occurring continuously or intermittently within 72 consecutive hours is deemed to be one event and one **excess** will apply

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

Unoccupied or untenanted buildings

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

Managing agents' charges

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

Rent-free period

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

Indemnity period

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

Break clauses

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

Buildings awaiting sale

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

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

- (ii) the additional legal fees and other expenditure incurred solely following cancellation or delay as a result of the **damage** but not exceeding the amount equivalent to the expenditure incurred immediately prior to the **damage**
- (iii) the amount payable shall be adjusted to provide for any benefit **you** derive from cancellation of or delay in the sale so that it represents as nearly as may be practicable the actual loss **you** suffer

provided that the maximum amount payable for any item of rent under this section in any one period of insurance is £100,000

Extensions

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

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

1 Prevention of access - Damage

Access to or use of the **premises** being prevented or hindered by **damage** to neighbouring property

Excluding

- (i) any loss covered under the Utilities extension
- (ii) any period when access to the **premises** was not prevented or hindered

2 Prevention of access – Non Damage

Access to or use of the **premises** being prevented or hindered by

- (a) any action of government police or a local authority due to an emergency which could endanger human life or neighbouring property
- (b) any bomb scare at or in the vicinity of the **premises**

Excluding

- (i) any restriction of use of less than 4 hours
- (ii) any period when access to the **premises** was not prevented or hindered

- (iii) closure or restriction in the use of the **premises** due to the order or advice of the competent local authority as a result of an occurrence of an infectious disease (or the discovery of an organism resulting in or likely to result in the occurrence of an infectious disease) food poisoning defective drains or other sanitary arrangements
- (iv) closure or restriction in the use of the **premises** due to **vermin**

Limit

£10,000 any one period of insurance

Special conditions

- 1 For the purpose of part (b) of this extension the General exclusion Terrorism does not apply
- 2 The maximum indemnity period under this extension will not exceed 3 months

3 Utilities

Damage at any

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

4 Specified disease murder food poisoning defective sanitation vermin

Definition specific to this extension

Specified disease

means

Acute encephalitis
Acute poliomyelitis
Anthrax
Cholera
Diphtheria
Dysentery
Legionellosis
Legionnaires' disease
Leprosy
Leptospirosis
Malaria
Measles
Meningitis

Meningococcal septicaemia
(without meningitis)
Mumps
Ophthalmia neonatorum
Paratyphoid fever
Plague
Rabies
Relapsing fever
Rubella
Scarlet fever
Smallpox
Tetanus
Tuberculosis
Typhoid fever
Typhus fever
Viral haemorrhagic fever
Viral hepatitis
Whooping cough
Yellow fever

- (a) any occurrence of a **specified disease** being contracted by a person at the **premises**
- (b) any discovery of an organism at the **premises** likely to result in the occurrence of a **specified disease** being contracted by a person at the **premises**
- (c) any injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided at the premises
- (d) any accident causing defects in drains or other sanitary arrangements at the **premises** which causes restrictions in the use of the **premises** on the order or advice of the competent local authority
- (e) any discovery of **vermin** at the **premises**
- (f) murder rape or suicide at the **premises**

Special conditions applicable to this extension

- (i) **We** shall not be liable under this extension for any costs incurred in the cleaning repair replacement recall or checking of property
- (ii) **We** shall only be liable for the loss arising at those **premises** which are directly affected by the occurrence discovery or accident
In the event that the policy includes an extension which deems **damage** at other locations to be **damage** at the **premises** such extension shall not apply to this extension

- (iii) **Indemnity period** shall mean the period during which the results of the **business** shall be affected in consequence of the occurrence discovery or accident beginning with the date from which the restrictions on the **premises** are applied (or in the case of (f) above with the date of occurrence) and ending not later than 3 months thereafter
- (iv) **Our** liability under this extension in respect of any one occurrence discovery or accident shall not exceed £100,000
- (v) In respect of (e) **you** must obtain **our** consent before **you** restrict the use of the **premises**

5 Loss of attraction

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

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

Our liability for any one occurrence shall not exceed 10% of the sum insured or £250,000 whichever is the less

For the purposes of this extension the maximum indemnity period will not exceed 3 months

The following extensions increase the sums insured that apply but only to the extent stated

6 Additional increase in cost of working

Such further additional expenditure for an amount not exceeding £25,000 beyond that recoverable under paragraph (b) Basis of settlement Rent receivable items as **you** shall necessarily and reasonably incur during the **indemnity period** in consequence of the **damage** for the purpose of avoiding or diminishing the loss of **rent receivable**

The schedule will show if further additional increase in cost of working cover applies

7 Reinstatement of data

Unless more specifically insured **we** will pay the costs necessarily and reasonably incurred by **you** in reinstating data used in connection with **your business**

that is lost or damaged as a consequence of **damage** to **computer equipment** anywhere in the **geographical limits**

Providing that

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

Special condition – Back-up records

You shall maintain a minimum of 2 generations of verified back-up computer records taken at intervals no less frequently than 48 hours one copy as a minimum being held off site and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations

Limit

£25,000 any one period of insurance

8 Computers - Increased cost of working

Unless more specifically insured **we** will pay costs necessarily and reasonably incurred by **you** for the sole purpose of avoiding or diminishing interruption or interference to **your** computer operations used in connection with **your business** as a consequence of **damage** to **computer equipment** anywhere in the **geographical limits**

Limit

£25,000 any one period of insurance

9 Book debts

If following **damage** to **your** records used in connection with the **business** and held anywhere in the **geographical limits** **you** are unable to trace outstanding debit balances owed to **you** **we** will indemnify **you** for such loss as follows

- (a) **we** will pay the difference between the total outstanding debit balances and the total of the amounts received or traced for such balances
- (b) **we** will pay additional expenditure incurred with **our** previous consent in tracing and establishing customers' debit balances after the **damage**
- (c) **we** will pay for reasonable professional accountants' charges necessarily incurred in providing any evidence required by **us** in support of a claim

Excluding loss arising from misfiling erasure distortion deliberate falsification of business records abnormal conditions of trade or from bad debts

Limit

£50,000 any one claim

Special condition

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

10 Capital additions

Under the Rent receivable item following **damage** by an **insured event** to

- (a) alterations or additions to existing buildings or
- (b) newly acquired property so far as it is not otherwise insured anywhere in the **geographical limits**

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

Limit

10% of the Rent receivable sum insured or £500,000 whichever is the less

11 Loss of investment income

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

12 Managing agents' premises

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

Limit

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

Special condition applicable to this section

Premium adjustment clause

Sum insured basis

If **your rent receivable** (or a proportionately increased multiple of it where the maximum indemnity period exceeds 12 months) as certified by **your** auditors for the financial year of the 12 months most closely corresponding with any period of insurance is less than the sum insured a pro rata return of premium not exceeding 50% of the premium paid on each sum insured for such period of insurance will be made for the difference

If any **damage** has occurred resulting in a claim the return premium will be for the difference in **rent receivable** which is not due to the **damage**

Terrorism

The schedule will show if this section applies

Definitions

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

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

Act of terrorism

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

Business interruption

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

Computer systems

means a computer or other equipment or component or system or item which processes stores transmits or receives **data**

Data

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

Denial of service attack

means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability or performance of networks network services network connectivity or **computer systems**

Denial of service attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**

Event

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

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

Hacking

means unauthorised access to any **computer system** whether **your** property or not

Losses

means all losses arising under any operative section or extension to this policy for material damage business interruption or book debts as a result of damage to or the destruction of **property insured** in the **territorial limits** the proximate cause of which is an **act of terrorism**

Nuclear installation

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

1. the production or use of atomic energy
2. the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations
3. the storage processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the course of the production or use of nuclear fuel

Nuclear reactor

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

Phishing

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

Property

means all property whatsoever but excluding

1. any property which is occupied as a private residence and which is
 - a. a private dwelling house or
 - b. self-contained unit insured as part of a block of units i.e. a block of flats
 unless such property
 - i. is not insured in the name of a private individual
 - ii. is insured in the name of a **sole trader** or a trustee or an executor of a will and is not occupied by such persons or by any beneficiary of the trust or will in question
 - iii. is of mixed residential and commercial usage and the commercially occupied portion of the property exceeds 20% (as defined by **us**) of the whole of such building
2. property including fine art collections which are the subject of
 - a. a trust of any kind or
 - b. an executorship of a will
 and where the use or benefit of the property is for private domestic purposes only and enjoyed by a beneficiary or a trustee of the trust or a beneficiary or an executor of the will
3. any **nuclear installation** or **nuclear reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **nuclear installation** or **nuclear reactor**

The noting of the interest of any lender (by including as joint insured or otherwise) shall not prejudice the definition of property as defined above

Property insured

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

Sole trader

means

1. a self-employed individual registered as a sole trader with HM Revenue & Customs or
2. a private individual or individuals operating as a landlord and taxed as a business or
3. a private individual or individuals who have made an active decision to become a landlord and receive or intend to receive an income from **property insured**

Territorial limits

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

Virus or similar mechanism

means program code programming instruction or any set of instructions constructed with the purpose and ability or purposely used to damage interfere with adversely affect infiltrate or monitor computer programs **computer systems data** or operations whether involving self-replication or not

This includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage interfere with adversely affect infiltrate or monitor as above

Cover

We will pay **you** for

1. damage to or the destruction of **property**
2. **business interruption** or book debts
3. loss caused by cancellation abandonment postponement interruption curtailment or relocation of an event as a result of damage to or destruction of **property**

as insured by any other section of this policy occasioned by or happening through or in consequence of an **act of terrorism** within the **territorial limits**

Provided always that the insurance by this section is

1. not subject to
 - a. any of the General exclusions of this policy
 - b. any long term agreement or undertaking which may otherwise apply
 - c. any terms in this policy which provide for adjustments of premium

2. subject
 - a. otherwise to all the terms provisions definitions and conditions of this policy except where expressly varied within this section
 - b. to a maximum period of insurance of 12 months from the inception or renewal date of this policy
Any subsequent period of cover provided by this section whether for 12 months or less is deemed to constitute a new period of insurance provided that
 - i. no subsequent period of insurance by this section shall extend beyond the next renewal date of this policy
 - ii. the renewal premium due in respect of this section has been received by **us**

Basis of settlement

As described in the relevant section of this policy in respect of damage to or destruction of the **property insured** or **business interruption** or book debts or loss caused by cancellation abandonment postponement interruption curtailment or relocation of an event

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

1. the total sum insured or
2. for each item its individual sum insured or
3. any other limit of liability

as stated in the relevant section of this policy less the **excess**

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

Exclusions

We will not be liable for any losses whatsoever

1. occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
2. arising under
 - a. marine aviation and transit policies
 - b. motor insurance policies
 - c. bankers blanket bond

3. directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
 - a. damage to or the destruction of any **computer system** or
 - b. any alteration modification distortion erasure or corruption of **data**
 whether **your** property or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**

Extension for act of terrorism triggered by remote digital interference

Definitions specific to this extension

Property/Property insured

means as defined in this section but also excludes for the purposes of this extension

- a. any money (including money as defined in any Money (or Money with assault) section of this policy) currency electronic cryptographic or virtual currency including Bitcoin or anything similar negotiable or non-negotiable instruments financial securities or any other financial instrument of any sort whatever and
- a. any **data**

Specific events

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

Exclusion **3.** will not apply to **losses** provided that such **losses**

1. result directly (or solely as regards **3. c.** below indirectly) from **specific events** and
2. are not proximately caused by an **act of terrorism** in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by acting on behalf of or part of any de jure or de facto government of any nation country or state and

3. comprises
- a. the cost of reinstatement replacement or repair in respect of damage to or destruction of **property insured** or
 - b. the amount of **business interruption** or book debts suffered directly by **you** by way of loss of or reduction in profits revenue or turnover or increased cost of working as a direct result of either damage to or destruction of **property insured** or as a direct result of denial prevention or hindrance of access to or use of the **property insured** by reason of an **act of terrorism** causing damage to or destruction of other **property** within one mile of the **property insured** to which access is affected or
 - c. the amount of loss caused by the cancellation abandonment postponement interruption curtailment or relocation of an event as a result of damage to or destruction of **property** and any additional costs or charges reasonably and necessarily paid by **you** to avoid or diminish such loss

Notwithstanding the exclusion of **data** from **property** and **property insured** to the extent that damage to or destruction of **property** and **property insured** within the meaning of sub-paragraph 1. above indirectly results from any alteration modification distortion erasure or corruption of **data** because the occurrence of one or more **specific events** results directly or indirectly from any alteration modification distortion erasure or corruption of **data** that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such **property** and **property insured** and otherwise falling within sub-paragraphs 1. and 3. above from being recoverable under this policy

In no other circumstances than the previous sentence however will any loss(es) directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from any alteration modification distortion erasure or corruption of **data** be recoverable under this Terrorism section

Condition

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

Notwithstanding the above the burden of proof shall be upon **us** to prove or establish all the matters referred to in sub-paragraph 2. of the Extension for act of terrorism triggered by remote digital interference

Liabilities

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

Definitions

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

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

Act of terrorism

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

Bodily injury

means bodily injury death disease or illness

Business

means as defined in the General Definitions including

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

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

Data

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

Employed person

means

- (a) any **employee**

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

Employee(s)

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

Event(s)

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

Injury

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

Legal costs

means

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

Offshore

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

Period of insurance

means the period of insurance stated in the schedule

Pollution or contamination

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

Principal

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

Products

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

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

Property

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

You/ your/ yours

means the **Insured** named in the schedule

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

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

in respect of liability for which **you** would have been entitled to indemnity had the claim been made against **you**
- (c) any officer or member of **your** canteen social sports and welfare facilities and fire first aid ambulance and security services in their individual capacities as such
- (d) any director trustee partner or **employee** of **yours** in respect of private work carried out with **your** prior consent by an **employed person** for such director trustee partner or **employee**

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

Cover 1 – Employers' liability

Cover

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

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

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

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

Employers' liability exclusion

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

Limit of liability

This insurance is provided on a 'Costs Inclusive' basis

This means that **legal costs** are included within the limit of indemnity detailed below

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

- (a) any one **event** which is directly or indirectly caused by results from or is in connection with an **act of terrorism** shall not exceed £5,000,000
If **we** allege the **bodily injury** has resulted from an **act of terrorism** the burden of proving the contrary shall be upon **you**
- (b) any other **event** shall not exceed the limit of indemnity shown in the schedule

Employers' liability extension

The following is subject to the terms of the policy

Unsatisfied court judgements

Where a judgement for damages has been obtained

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

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

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

Cover 2 – Public liability

Cover

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

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

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

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

We will in addition indemnify **you** against **legal costs** other than in respect of any claim which is brought within the legal jurisdiction of the United States of America or Canada in which circumstances **legal costs** shall be included within the limit of indemnity

Public liability exclusions

No indemnity will be provided in respect of

- (1) any liability connected with any error or omission in the provision of professional services
- (2) any liability arising from **bodily injury** to any **employed person** caused in connection with the **business**
- (3) any liability arising from **damage** to **property** which is owned or held in trust by **you** or which is in **your** custody or control

Exclusion (3) will not apply in respect of

- (a) personal effects including vehicles and their contents belonging to residents **employees** directors trustees partners or visitors
- (b) premises and their contents not owned by leased or rented by **you** at which **you** are undertaking work in connection with the **business**
- (c) premises including fixtures and fittings hired by or leased rented or borrowed by **you** but **we** shall not be liable for
 - (i) the first £250 of any **damage** other than caused by fire or explosion
 - (ii) any liability arising solely under the terms of any contract or agreement
 - (iii) any liability which arises from an agreement to maintain in force insurance against loss of or damage to the premises and their fixtures and fittings
- (4) any liability arising from ownership possession or use by **you** or on **your** behalf of
 - (a) any mechanically propelled vehicle but (except where indemnity is provided by any motor insurance policy or in circumstances where insurance or security is required under any road traffic legislation) this exclusion will not apply in respect of
 - (i) the use of plant as a tool of trade on site
 - (ii) the use of plant at **your** premises
 - (iii) the loading or unloading of any vehicle

- (iv) the movement of any vehicle not belonging to **you** which is interfering with the execution of the **business**
 - (b) any craft designed to travel in on or through water air or space but this exclusion shall not apply to any non-mechanically propelled waterborne craft of less than 9 metres in length whilst operated on inland waterways or within 3 miles of the coast
- (5) any liability arising directly or indirectly from **pollution or contamination** unless the **pollution or contamination** is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the **period of insurance**
 For the purposes of this exclusion all **pollution or contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place
- (6) any liability arising from advice design or specification provided for a fee or for which a fee would normally be charged
- (7) any liability arising from the sale or supply of any **products** but this exclusion shall not apply to the disposal of furniture furnishings and office equipment originally used in connection with the **business** and which is no longer required for that purpose providing that these are not to **your** knowledge to be exported to the United States of America or Canada
 The total amount **we** will pay in respect of damages for all **events** happening during any period of insurance caused by the disposal of such furniture furnishings and office equipment shall not exceed the limit of indemnity shown in the schedule
- (8) the costs of remedying any defect or alleged defect in premises which **you** have disposed of
- (9)
 - (a) fines or penalties
 - (b) liquidated damages
 - (c) any compensation awarded by a court of criminal jurisdiction
 - (d) multiplied aggravated exemplary or punitive damages
- (10) any liability arising from the ownership or use by **you** or on **your** behalf of any premises situated in the United States of America or Canada
- (11) any liability arising from the supervision or execution of any manual work or contract undertaken outside of the European Union
- (12) any liability arising directly or indirectly from mining processing manufacturing removing handling disposing of treatment of distributing or storing of **asbestos**
 However this shall not apply where removing handling or disposing of **asbestos** does not form part of **your** usual business or any contract work undertaken and
 - (a) **you** have complied with any legal obligations to manage **asbestos** and
 - (b) any discovery of **asbestos** by **you** is unintentional and accidental and
 - (c) whereupon discovery of **asbestos** all work immediately stops and
 - (d) a HSE licensed asbestos removal contractor is employed to make safe the area in which the discovery is made as soon as is practicable and who has Employers' and Public liability insurance in force which provides limits of indemnity no less than those provided by **your** policies and which do not exclude the work to be carried out
- (13) any liability arising directly or indirectly from fears of the consequences of exposure to or inhalation of **asbestos**
- (14) any loss damage cost or expense
 - (a) directly or indirectly caused by contributed to by resulting from or arising out of or in connection with any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - (b) of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to any **act of terrorism**
 If **we** allege that by reason of this exclusion any loss damage cost or expense is not covered by this policy the burden of proving the contrary shall be upon **you**

Limit of liability

This insurance is provided on a 'Costs in Addition' basis

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

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

- (a) any one **event**
- (b) all **events** arising from **pollution or contamination** which **we** deem to have occurred during any period of insurance

shall not exceed the limit of indemnity shown in the schedule

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

Public liability extensions

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

1 Cross liabilities

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

2 Contingent motor liability

Notwithstanding exclusion (4) regarding vehicles **we** will indemnify **you** alone in respect of legal liability for **injury** or **damage** arising out of the use by any **employee** in the course of the **business** of any mechanically propelled vehicle which is neither owned by nor provided by **you**

We will not provide an indemnity in respect of

- (a) **damage** to such vehicle or any **property** contained or being transported within it

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

3 Data protection

Definition specific to this extension

Data protection legislation

means the Data Protection Act 2018 or any subsequent legislation that specifically replaces this act

We will indemnify **you** against **your**

- (a) legal liability to pay damages and **legal costs** for material and non-material damage
- (b) defence costs and prosecution costs awarded against **you**

resulting from any breach or alleged breach of **data protection legislation** happening during the **period of insurance** arising out of the conduct of **your business**

We will not provide any indemnity in respect of

- (i) the payment of fines penalties punitive or exemplary damages
- (ii) the costs of replacing reinstating rectifying erasing blocking or destroying any personal data
- (iii) liability arising from or caused by a deliberate or intentional act or omission by **you**
- (iv) liability arising out of circumstances which may give rise to a claim or prosecution which have been notified to or ought to have been notified to previous insurers or which were known to **you** at the inception of this extension
- (v) legal liability where indemnity is provided by any other insurance

In the event that any policy of insurance in force immediately prior to this extension expressly provided cover for **data protection legislation** on the basis of an indemnity for claims made during the period of insurance and in the event that a claim is first made against **you** in the **period of insurance** in respect of **data protection legislation** then the indemnity

provided by this extension is extended to indemnify **you** provided that **we** shall not be liable for

- (1) claims not insured by this extension
- (2) any claim or notice notified later than twenty-eight days after receipt of such claim or notice

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

- (a) shall not exceed the limit of indemnity shown on the schedule
- (b) shall not exceed £100,000 any one claim and in the aggregate any one period of insurance

4 Defective Premises Act

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

No indemnity will be provided

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

5 Overseas personal liability

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

No indemnity will be provided by this extension

- (i) for any liability which attaches solely because of a contract
- (ii) arising out of the ownership or occupation of land or buildings
- (iii) where indemnity is provided by any other insurance
- (iv) arising from any craft designed to travel in on or through water air or space but this exclusion shall not apply to any watercraft hired or borrowed and which are less than 5 metres in length and with a maximum speed of less than 15 knots while operated on inland waterways or within 3 miles of the coast

- (v) arising from any electrically or mechanically powered vehicle other than a battery powered wheelchair or mobility scooter or a vehicle used only as domestic gardening equipment or a golf cart trolley or buggy controlled by someone on foot

The total amount **we** will pay for damages for any one

event is the limit of indemnity as stated in the schedule or £5,000,000 whichever is the less

Liability section extensions

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

1 Compensation for court attendance

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

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

Any **employee** £250

2 Corporate manslaughter defence costs

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

Provided that

- (a) **our** liability under this extension shall not exceed £1,000,000 in any one period of insurance
This limit will form part of and not be in addition to the limit of indemnity stated in the schedule
- (b) if this policy provides Legal expenses insurance this extension shall only operate in respect of any excess beyond the amount payable under the Legal expenses section

- (c) where **we** have already provided an indemnity in respect of any legal costs incurred in the defence of any criminal proceedings arising out of the same **event** which has given rise to the proceedings in respect of corporate manslaughter or corporate homicide any amount already paid by **us** will be taken into account in calculating **our** liability under this extension
- (d) **we** must consent in writing to the appointment of any solicitor or counsel who is to act for and on **your** behalf
- (e) any appeal can only commence if counsel has advised that it is more likely for an appeal to be successful than not

No indemnity will be provided

- (i) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this extension indemnity would have been provided by such other source or insurance

However this exclusion shall not apply in the circumstances outlined in proviso (b)

- (ii) in respect of any proceedings which result from **your** deliberate act or omission or deliberate act or omission of any trustees managerial employees partners directors of **yours** while acting in their corporate capacity and which could reasonably have been expected having regard to the nature and circumstances of such act or omission
- (iii) in respect of fines or penalties of any kind including the costs of remedial or publicity orders or the steps required to be taken by such orders

3 Prosecution defence costs

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

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

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

We will not provide any indemnity

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

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

Memorandum

Adjustment of premium

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

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

Legal expenses

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

Note (not forming part of the policy):

To ensure an expert service the cover under this section has been arranged through DAS Legal Expenses Insurance Company Limited (DAS).

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

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

0345 268 9124

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

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

Please notify DAS as soon as possible of your potential claim. We will not pay any legal costs that you may have incurred through contacting a lawyer, accountant or anyone else prior to DAS' acceptance of a claim.

DAS Head and Registered Office:

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

Registered in England and Wales, company number 103274. DAS Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority.

Website: www.das.co.uk

DAS Law Limited Head and Registered Office:

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

Registered in England and Wales, company number 5417859. DAS Law Limited is authorised and regulated by the Solicitors Regulation Authority (registered number 423113).

Website: www.daslaw.co.uk

DAS Data Protection

In addition to any other data processing notice provided in relation to this policy, data under this policy will be processed by DAS Legal Expenses Insurance Company Limited (DAS), who are committed to processing the insured person's personal information fairly and transparently. This section is designed to provide a brief understanding of how DAS collect and use this information.

DAS may collect personal details, including the insured person's name, address, date of birth, email address and, on occasion, dependent on the type of cover the insured person has, sensitive information such as medical records. This is for the purpose of managing the insured person's products and services, and this may include underwriting, claims handling and providing legal advice. DAS will only obtain the insured person's personal information either directly from them, the third party dealing with the insured person's claim or from the authorised partner who sold them the policy.

Who DAS are

DAS is part of DAS Legal Expenses Insurance Company Limited which is part of DAS UK Holdings Limited (DAS UK Group). The uses of the insured person's personal data by DAS and members of the DAS UK Group are covered by their individual company registrations with the Information Commissioner's Office. DAS has a Data Protection Officer who can be contacted through dataprotection@das.co.uk.

How DAS will use your information

DAS may need to send the insured person's information to other parties, such as lawyers or other experts, the court, insurance intermediaries, insurance companies, appointed service providers, specialist agencies so they may contact the insured person to ask for their feedback, or members of the DAS UK Group. If the insured person's policy includes legal advice DAS may have to send the information outside of the European Economic Area (EEA) in order to give legal advice on non-European Union law. Dependent on the type of cover the insured person has, their information may also be sent outside the EEA so the service provider can administer their claim.

DAS will take all steps reasonably necessary to ensure that the insured person's data is treated securely and in accordance with this Privacy Notice. Any transfer outside of the EEA will be encrypted using SSL technology.

DAS will not disclose the insured person's personal data to any other person or organisation unless they are required to by their legal and regulatory obligations. For example, DAS may use and share the insured person's data with other organisations and public bodies, including the police and anti-fraud organisations, for the prevention and detection of crime, including fraud and financial sanctions. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money laundering. Further details explaining how the information held by fraud prevention agencies may be used can be obtained by writing to, or telephoning DAS. A copy is also accessible and can be downloaded via their website.

What is DAS' legal basis for processing your information?

It is necessary for DAS to use the insured person's personal information to perform their obligations in accordance with any contract that they may have with the insured person. It is also in their legitimate interest to use the insured person's personal information for the provision of services in relation to any contract that they may have with you.

How long will your information be held for?

DAS will retain the insured person's personal data for 7 years. DAS will only retain and use personal data thereafter as necessary to comply with their legal obligations, resolve disputes, and enforce their agreements. If you wish to request that DAS no longer use the insured person's personal data, please contact DAS at dataprotection@das.co.uk.

What are your rights?

The insured person has the following rights in relation to the handling of their personal data:

- the right to access personal data held about them
- the right to have inaccuracies corrected for personal data held about them
- the right to have personal data held about them erased
- the right to object to direct marketing being conducted based upon personal data held about them
- the right to restrict the processing for personal data held about them, including automated decision-making
- the right to data portability for personal data held about them

Any requests, questions or objections should be made in writing to the Data Protection Officer:-

Data Protection Officer
 DAS Legal Expenses Insurance Company Limited
 DAS House
 Quay Side
 Temple Back
 Bristol
 BS1 6NH

Or via Email: dataprotection@das.co.uk

How to make a complaint

If the insured person is unhappy with the way in which their personal data has been processed, the insured person may in the first instance contact the Data Protection Officer using the contact details above.

If the insured person remains dissatisfied then they have the right to apply directly to the Information Commissioner's Office for a decision. The Information Commissioner can be contacted at: -

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF
www.ico.org.uk

Definitions

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

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

Appointed representative

means the **preferred law firm or tax consultancy** law firm accountant or other suitably qualified person **we** will appoint to act on the **insured person's** behalf in accordance with the terms of this section

Charity Commission enquiry / enquiries

means an investigation carried out by the Charity Commission into the **Insured's** business accounts

Costs and expenses

means

- (1) All reasonable and necessary costs chargeable by the **appointed representative** and agreed by **DAS** in accordance with the **DAS Standard Terms of Appointment**
- (2) The costs incurred by opponents in civil cases if the **insured person** has been ordered to pay them or the **insured person** pays them with the agreement of **DAS**

Countries covered

means

For **insured events** 2 – Legal defence (excluding 2(f) - Statutory notice appeals) and **insured event** 4(b) – Personal injury

The European Union the Isle of Man the Channel Islands Albania Andorra Bosnia Herzegovina Gibraltar Iceland Liechtenstein Macedonia Monaco Montenegro Norway San Marino Serbia Switzerland and Turkey

For all other **insured events**

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

DAS

means DAS Legal Expenses Insurance Company Limited

DAS Standard Terms of Appointment

means the terms and conditions (including the amount **we** will pay to an **appointed representative**) that apply to the relevant type of claim which could include a conditional fee agreement (no win no fee)

Where a law firm is acting as an **appointed representative** the amount is currently £100 per hour

This amount may vary from time to time

Date of occurrence

means

- (1) For civil cases (other than under **insured event** 5 – Tax protection) the date of the event that leads to a claim
If there is more than one event arising at different times from the same originating cause the **date of occurrence** is the date of the first of these events (this is the date the event happened which may be before the date **you** or an **insured person** first became aware of it)
- (2) For criminal cases the date the **insured person** began or is alleged to have begun to break the law
- (3) For **insured event** 2(e) – Legal defence
Formal investigations and disciplinary hearings the date when an **insured person** first receives formal notice of such investigation or disciplinary hearing

- (4) For **insured event** 2(f) - Legal defence
Statutory notice appeals the date when the **insured person** is issued with the relevant notice and has the right to appeal
- (5) For **insured event** 3 – Statutory licence
appeal the date when the **Insured** first became aware of the proposal by the relevant licensing or regulatory authority to suspend alter the terms of or refuse to renew or cancel the **Insured's** licence or mandatory registration or British Standard Certificate of Registration
- (6) For **insured event** 5 – Tax protection the date when HM Revenue & Customs or the relevant authority first notifies the **Insured** of its intention to carry out an enquiry
For **VAT disputes** or **employer compliance disputes** the date the dispute arises following the issue of an assessment written decision or notice of a civil penalty
- (7) For **insured event** 5(b) – Tax protection for **Charity Commission enquiries** the date the **Insured** receives notification from the Charity Commission that they are to conduct an investigation

Employer compliance dispute(s)

means a dispute with HM Revenue & Customs concerning the **Insured's** compliance with Pay As You Earn Social Security Construction Industry or IR35 legislation and regulations

Insured event(s)

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

Insured person

means

- (1) the **Insured** and the directors trustees partners managers employees and volunteers of the **Insured**
- (2) The estates heirs legal representatives or assigns of any person mentioned in (1) above in the event of such person dying
- (3) A person contracted to perform work for the **Insured** who is in other respects insured by the **Insured** on the same basis as the **Insured's** employees and performs work under supervision and direction of the **Insured**

Limit of indemnity

means the most **we** will pay in **costs and expenses** and any compensation awards payable by **us** for all claims resulting from one or more events arising at the same time or from the same originating cause

Please refer to the schedule for this amount

The most **we** will pay for the total of all compensation awards in respect of employment disputes in any one **period of insurance** shall not exceed £1,000,000

This aggregate limit will form part of and not be in addition to the **limit of indemnity**

Period of insurance

means the period for which **we** have agreed to cover the **Insured**

Preferred law firm or tax consultancy

means a law firm barristers' chambers or tax expert **DAS** choose to provide legal or other services

These specialists are chosen as they have the proven expertise to deal with the **insured person's** claim and must comply with **DAS'** agreed service standard levels which they audit regularly
They are appointed according to the **DAS**

Standard Terms of Appointment

Reasonable prospects

means

- (1) For civil cases the prospects that the **insured person** will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that **DAS** has agreed to including an enforcement of judgment) make a successful defence or make a successful appeal or defence of an appeal must be at least 51% **DAS** or a **preferred law firm or tax consultancy** on **DAS'** behalf will assess whether there are **reasonable prospects**
- (2) For criminal cases there is no requirement for there to be prospects of a successful outcome however for appeals the prospects of a successful outcome must be at least 51%

Tax enquiry

means a written notice of enquiry issued by HM Revenue & Customs to carry out an Income Tax or Corporation Tax compliance check which either

- (1) includes a request to examine any aspect of the **Insured's** books and records or
- (2) advises of a check of the **Insured's** whole tax return

VAT dispute(s)

means a dispute with HM Revenue & Customs following the issue of an assessment written decision or notice of a civil penalty relating to the **Insured's** VAT affairs

- a court
- an employment tribunal or employment appeal tribunal
- an arbitration proceeding where parties to a dispute appoint an arbitrator to determine the evidence and issue a decision which is recognised by and enforceable through a court
- the Equality and Human Rights Commission or the Equality Commission for Northern Ireland
- any other body which replaces any of the above or which **DAS** agree to

Cover

We will indemnify the **Insured** (or where specified the **insured person**) in respect of any **insured event** shown as included in the schedule arising in connection with the **business** subject to the terms conditions exclusions and limitations set out in this policy provided that

- (a) **reasonable prospects** exist for the duration of the claim and
- (b) the **date of occurrence** of the **insured event** happens during the **period of insurance** or
- (c) the **date of occurrence** of the **insured event** happens during the currency of a previous equivalent legal expenses insurance policy provided that
 - the previous legal expenses insurance policy required the **Insured** to report claims during its currency
 - the **Insured** could not have notified a claim previously as they could not have reasonably been aware of the insured incident
 - cover has been continuously maintained in force
 - **we** will not cover any claim that should have been reported under a previously operative legal expenses insurance policy
 - the available **limit of indemnity** shall be limited to the lesser of the sums payable under this or **your** previous policy and
- (d) the **insured event** happens within the **countries covered** and
- (e) any legal proceedings or investigation will be dealt with by one of the following within the **countries covered**

What we will pay

We will pay an **appointed representative** on the **Insured's** behalf **costs and expenses** incurred following an **insured event** and any compensation awards that **DAS** has agreed to provided that

- (1) the most **we** will pay for **costs and expenses** including compensation awards in respect of all claims resulting from one or more events arising at the same time or from the same originating cause is shown as the **limit of indemnity** in the policy schedule
- (2) the most **we** will pay in **costs and expenses** is no more than the amount **we** would have paid to a **preferred law firm or tax consultancy** (The amount **we** will pay a law firm where acting as an **appointed representative** is currently £100 per hour - this amount may vary from time to time)
- (3) in respect of an appeal or the defence of an appeal the **Insured** must tell **DAS** within the time limits allowed that they want to appeal Before **we** pay the **costs and expenses** for appeals **DAS** must agree that **reasonable prospects** exist
- (4) in respect of an enforcement of judgment to recover money and interest due to the **Insured** after a successful claim under this section of the policy **DAS** must agree that **reasonable prospects** exist
- (5) where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages the most **we** will pay in **costs and expenses** is the value of the likely award

- (6) in respect of **insured event** 2(g) – Legal defence Jury service and court attendance the maximum **we** will pay is the **insured person's** net salary or wages for the time that the **insured person** is absent from work less any amount the **Insured** court or tribunal pays to them

What we will not pay

- (1) In the event of a claim if the **Insured** decides not to use the services of a **preferred law firm or tax consultancy** the **Insured** will be responsible for any costs that fall outside the **DAS Standard Terms of Appointment** and these will not be paid by **us**
- (2) The first £500 of any contract dispute claim where the amount in dispute exceeds £5,000 (including VAT)

If the **Insured** is using a **preferred law firm or tax consultancy** the **Insured** will be asked to pay this within 21 days of their claim having been assessed as having **reasonable prospects**

If the **Insured** is using their own law firm this will be within 21 days of their appointment (following confirmation the claim has **reasonable prospects**)

If the **Insured** does not pay this amount the cover for the claim could be withdrawn

Insured events

1 Employment disputes and compensation awards

(a) Employment disputes

Costs and expenses to defend the **Insured's** legal rights

- (1) before the issue of legal proceedings in a court or tribunal
- (i) following the dismissal of an employee or
 - (ii) where an employee or ex-employee has contacted ACAS ('Advisory, Conciliation and Arbitration Service') to commence the Early Conciliation procedure
- (2) in any unfair dismissal dispute under the ACAS Arbitration Scheme or
- (3) in legal proceedings in respect of any dispute relating to

- (i) a contract of employment with the **Insured** or
- (ii) an alleged breach of the statutory rights of an employee or ex-employee or prospective employee under employment legislation

Exclusions

- (i) Any employment dispute where the originating cause of action arises within the first 90 days of the commencement of this section
- (ii) Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the commencement of this section
- (iii) Employee internal disciplinary or grievance procedures
- (iv) Any claim in respect of damages for personal injury or loss of or damage to property
- (v) Any claim arising from or relating to Transfer of Undertakings Regulations (TUPE) or the Transfer of Employment (Pension Protection) Regulations

If a claim is made under **insured event** 1(a) exclusions (i) and (ii) above will not be enforced if the **Insured** can provide written evidence of continuous and equivalent employment legal expenses insurance immediately prior to inception of this section

(b) Compensation awards

Where **DAS** have accepted a claim under **insured event** 1(a) **we** will pay up to the **limit of indemnity** for the following

- (1) any basic and compensatory award and/or
- (2) an order for compensation following a breach of the **Insured's** statutory duties under employment legislation

Provided that

- (1) in cases relating to performance and/or conduct the **Insured** has throughout the employment dispute either
 - (i) followed the ACAS Code of Disciplinary and Grievance Procedures or
 - (ii) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland or
 - (iii) sought and followed advice from **DAS'** Legal Advice Service (0345 268 9124)
- (2) for an order of compensation following the **Insured's** breach of statutory duty under employment legislation the **Insured** has at all times

sought and followed advice from **DAS'** Legal Advice Service since the date when the **Insured** knew or should have known about the employment dispute

- (3) for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy the **Insured** has sought and followed advice from **DAS'** Claims Department before starting any redundancy process or procedure with employees
- (4) the compensation is awarded by a tribunal or through ACAS Arbitration Scheme under a judgement made after full argument and otherwise than by consent or default or is payable under settlement approved in writing in advance by **DAS**

Exclusions

- (i) Any compensation award relating to the following
 - (a) Trade union activities trade union membership or non-membership
 - (b) Pregnancy or maternity rights paternity parental or adoption rights
 - (c) Health & Safety related dismissals brought under Section 44 of the Employment Rights Act 1996
 - (d) Statutory rights in relation to trustees of occupational pension schemes
- (ii) Non-payment of money due under a contract of employment or a statutory provision
- (iii) Any award ordered because the **Insured** has failed to provide relevant records to employees under National Minimum Wage legislation
- (iv) Any compensation award or increase in compensation award relating to failure to comply with a current or previous recommendation made by a tribunal
- (v) A settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure

(c) Employee civil legal defence

Costs and expenses to defend the **insured person's** (other than the **Insured's**) legal rights if an event arising from their work as an employee leads to civil action being taken against them

- (1) under legislation for unlawful discrimination or
- (2) as trustee of a pension fund set up for the benefit of the **Insured's** employees

We will only provide cover for an **insured person** (other than the **Insured**) at the **Insured's** request

(d) Service occupancy

Costs and expenses to pursue a dispute with an employee or ex-employee to recover possession of premises owned by or for which the **Insured** is responsible

Exclusion

Any claim relating to defending the **Insured's** legal rights other than defending a counter-claim

2 Legal defence

Costs and expenses to defend the **insured person's** legal rights in respect of the following

(a) Criminal pre-proceedings cover

Prior to the issue of legal proceedings when dealing with the Police Health & Safety Executive and/or Local Authority Health & Safety Enforcement Officer where it is alleged that the **insured person** has or may have committed a criminal offence

(b) Criminal prosecution defence

Following an event which leads to the **insured person** being prosecuted in a court of criminal jurisdiction

Provided that

- (1) for claims relating to the Health and Safety at Work etc Act 1974 the **countries covered** shall be any place where the Act applies
- (2) **we** will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the **business** - please see Cover

(c) Data protection

If civil action is taken against the **insured person** for compensation under data protection legislation when handling personal data in their capacity as a data controller and/or a data processor by

- (1) an individual

We will also pay any compensation award up to the **limit of indemnity** in respect of such a claim

- (2) a data controller and/or data processor which arises out of or relates to a claim made by an individual for compensation against that data controller and/or data processor

We will not pay any compensation award in respect of such a claim

Provided that

- (1) in respect of (c)(1) any sum of money in settlement of a dispute is awarded by a court under a judgment made after full argument and otherwise than by consent or default or is payable under settlement approved in advance by **us**
- (2) **we** will not cover the cost of fines imposed by the Information Commissioner or any other regulatory and/or criminal body

(d) Wrongful arrest

Civil action taken against the **Insured** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **period of insurance**

(e) Formal investigations and disciplinary hearings

In representing the **insured person**

- (1) throughout a formal investigation conducted by the Equality and Human Rights Commission or Equality Commission for Northern Ireland following a complaint against an **insured person**
- (2) throughout a formal investigation or disciplinary hearing conducted by any other relevant business association professional or regulatory body

(f) Statutory notice appeals

An appeal against the imposition or terms of any Statutory Notice issued under legislation affecting the **Insured's** business

We will also pay for

(g) Jury service and court attendance

An **insured person's** absence from work

- (1) to perform jury service
- (2) to attend any court or tribunal at the request of the **appointed representative**

Provided that for each of the above sections of **insured event 2 - Legal defence** the **Insured** requests that **DAS** provides cover for the **insured person**

Exclusions

- (i) for (a) Criminal pre-proceedings cover any criminal investigation or enquiry by with or on behalf of HM Revenue & Customs
- (ii) for (a) Criminal pre-proceedings cover and (b) Criminal prosecution defence cover any claim relating to a parking offence

- (iii) for (c) Data protection cover any claims relating to
 - (1) the loss alteration corruption or distortion of or damage to stored personal data or
 - (2) a reduction in the functionality availability or operation of stored personal data resulting from hacking (unauthorised access) malicious or negligent transfer (electronic or otherwise) of a computer program that contains any malicious or damaging code computer virus or similar mechanism
- (iv) for (f) Statutory notice appeals cover
 - (1) any Statutory Notice issued by an **insured person's** regulatory or governing body
 - (2) any appeal against the imposition or terms of any Statutory Notice issued in connection with an **Insured's** licence mandatory registration or British Standard Certificate of Registration

3 Statutory licence appeal

Costs and expenses in appealing to the relevant statutory or regulatory authority court or tribunal following a decision by a licensing or regulatory authority to suspend or alter the terms of or refuse to renew or cancel the **Insured's** licence or mandatory registration or British Standard Certificate of Registration

Exclusions

- (i) Assistance with the application process either in relation to an original application or application for renewal of a statutory licence or mandatory registration or British Standard Certificate of Registration
- (ii) Any licence appeal relating to the ownership driving or use of a motor vehicle

4 Property protection and personal injury

(a) Property protection

Costs and expenses in a civil dispute relating to material property which is owned by or the responsibility of the **Insured** provided that the **Insured** has established the legal ownership or right to the land that is the subject of the dispute following

- (1) any event which causes physical damage to such material property
- or

- (2) a legal nuisance (meaning any unlawful interference with the **Insured's** use or enjoyment of their land or some right over or in connection with it)
or
- (3) a trespass

Exclusions

Any claim relating to the following

- (i) A contract entered into by the **Insured**
- (ii) Goods in transit or goods lent or hired out
- (iii) Goods at premises other than those occupied by the **Insured** unless the goods are at such premises for the purpose of installations or use in work to be carried out by the **Insured**
- (iv) Mining subsidence
- (v) Defending the **Insured's** legal rights other than in defending a counter-claim
- (vi) A motor vehicle owned by or used by or hired by or leased to an **insured person** (other than damage to motor vehicles where the **Insured** is engaged in the business of selling motor vehicles)
- (vii) The enforcement of a covenant by or against the **Insured**

(b) Personal injury

At the **Insured's** request **we** will pay **costs and expenses** for an **insured person's** and their family members' legal rights following a specific or sudden accident that causes the death of or bodily injury to them

Exclusions

Any claim relating to the following

- (i) Any illness or bodily injury that develops gradually
- (ii) Psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused physical bodily injury
- (iii) Defending an **insured person's** and their family members' legal rights other than in defending a counter-claim
- (iv) Clinical negligence

5 Tax protection

Costs and expenses to negotiate on behalf of the **Insured** and at the request of the **Insured** the directors trustees and partners of the **Insured** in the event that one of the following enquiries is undertaken in direct connection with the activities of the **business**

- (a) A **tax enquiry**
- (b) A **Charity Commission enquiry**

- (c) An **employer compliance dispute**
- (d) A **VAT dispute**

Provided that the **Insured** has taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed

Exclusions

Any claim

- (i) arising from a tax avoidance scheme
- (ii) caused by the failure to register for Value Added Tax or Pay As You Earn
- (iii) arising from any investigation or enquiries by with or on behalf of HM Revenue & Customs Special Investigation Section Special Civil Investigations Criminal Investigations Unit Criminal Taxes Unit under Public Notice 160 or by the Revenue and Customs Prosecution Office
- (iv) arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences
- (v) relating to import or excise duties and import VAT

6 Leased or let property (including removal of squatters)

The following definition applies to this **insured event**

The property

The property or properties which are owned by the **Insured** or are the **Insured's** responsibility and insured as declared to **us** and let under a tenancy agreement which is in writing properly executed and containing an enforceable forfeiture clause

We will pay the **costs and expenses** to pursue the **Insured's** legal rights

- (1) in a dispute with a tenant arising from a breach or alleged breach of the tenancy agreement which relates to the use or maintenance of **the property** excluding repossession recovery of money and dilapidations or
- (2) to obtain possession of **the property** provided that where appropriate all statutory and contractual notices have been correctly served by the **Insured** on the tenant or
- (3) to recover money and interest due from a lease licence or tenancy of **the property** including enforcement of judgment

Provided that

- (a) the amount in dispute exceeds £250 (incl VAT) and a claim is made within 90 days of the money becoming due and payable or if it is rent that is owed it must have been overdue for at least one calendar month
 - (b) if the **Insured** accepts payment (or part payment) of any rent arrears from the tenant the **Insured** must provide proof they have warned the tenant this does not prevent them taking further action against the tenant to recover monies owed
 - (c) where the tenant is a limited company the **Insured** must have sought and followed advice from the **appointed representative** before accepting payment of rent arrears
 - (d) the other party does not intimate that a defence exists
- (4) In a dispute relating to dilapidations to **the property**
- Provided that
- (a) the amount in dispute exceeds £1,000
 - (b) prior to the tenancy beginning a detailed inventory which notes the condition of all items on the inventory is prepared by the **Insured**
 - (c) after the tenant has vacated **the property** a detailed Schedule of Dilapidations is prepared by the **Insured**
- (5) In defending any allegation of nuisance arising from **the property** used solely for residential purposes
- (6) To evict anyone who is not the **Insured's** tenant or ex-tenant from **the property** and who has not got the **Insured's** permission to be there

Exclusions

- (i) Unless equivalent legal expenses insurance was continuously in force immediately prior to inception of this policy any claim where the originating cause of action arises within 90 days of the start of this cover
- (ii) A dispute arising from or relating to
 - (a) the negotiation review or renewal of the lease or tenancy agreement
 - (b) any matter relating to service charges
 - (c) rent tax or building regulations or decisions or compulsory purchase orders or restrictions or

controls placed on the **Insured's** material property by any government or public or local authority

- (d) any claim relating to registering rents reviewing rents buying the freehold of **the property** or any matter that relates to rent tribunals the leasehold valuation tribunal land tribunals or rent assessment committees
- (e) any planning application review or decision
- (f) mining subsidence
- (iii) Any claim relating to
 - (a) land or premises used for agricultural purposes
 - (b) any arbitration or Agricultural Land Tribunal hearing relating to any dispute arising out of a contract of tenancy or lease regulated by the 1986 Agricultural Holdings Act or 1995 Agricultural Tenancies Act or at hearings of the Scottish Land Court relating to disputes arising out of a contract of tenancy or lease regulated by the 1991 Agricultural Holdings (Scotland) Act or 2003 Agricultural Holdings (Scotland) Act under the terms of the tenancy or lease or as directed by statute

(Only operative if shown in the schedule)

7 Contract disputes

Costs and expenses in a contractual dispute arising from that agreement or that alleged agreement which has been entered into by or on behalf of the **Insured** for the purchase hire sale or provision of goods or of services

Provided that

- (1) the amount in dispute exceeds £250 (including VAT)
- (2) if the amount in dispute exceeds £5,000 (including VAT) the **Insured** must pay the first £500 of any claim

If the **Insured** is using a **preferred law firm** the **Insured** will be asked to pay this within 21 days of the claim having been assessed as having **reasonable prospects** - if the **Insured** does not pay this amount cover could be withdrawn

If the **Insured** is using their own law firm this will be within 21 days of their appointment following confirmation the claim has **reasonable prospects**

- (3) if the dispute relates to money owed to the **Insured** a claim under this section is made within 90 days of the money becoming due and payable
- (4) if the amount in dispute is payable in instalments the instalments due and payable at the time of making the claim exceed £250 (including VAT)

Exclusions

- (i) Unless equivalent legal expenses insurance was continuously in force immediately prior to the inception of this section any dispute arising from an agreement entered into prior to the start of this section if the **date of occurrence** is within the first 90 days of the cover provided by this section
- (ii) Any claim relating to the following
 - (a) A dispute over the settlement amount payable under an insurance policy (**we** will cover a dispute if the **Insured's** insurer refused the **Insured's** claim but not for a dispute over the amount)
 - (b) The
 - sale
 - purchase
 - terms of a lease
 - licence
 - tenancy
 of land or buildings other than a dispute with a professional adviser in connection with these matters
 - (c) A loan mortgage pension guarantee or any other financial product and choses in action
 - (d) A motor vehicle owned by or hired by or leased to the **Insured** other than agreements relating to the sale of motor vehicles where the **Insured** is engaged in the business of selling motor vehicles
- (iii) A dispute with an employee or ex-employee which arises out of or relates to a contract of employment with the **Insured**
- (iv) A dispute which arises out of
 - the sale or provision of computer hardware software systems or services
 - the purchase or hire of computer hardware software systems or services tailored by a supplier to the **Insured's** own specification
- (v) A dispute arising from a breach or alleged breach of professional duty by an **insured person**
- (vi) The recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists

(Only operative if shown in the schedule)

8 Debt recovery

Costs and expenses in a dispute relating to the recovery of money and interest due from the sale or provision of goods or services including enforcement of judgments

Provided that

- (1) the debt exceeds £250 (including VAT)
- (2) the claim is made within 90 days of the money becoming due and payable
- (3) **DAS** has the right to select the method of enforcement or to forego enforcing judgment if they are not satisfied that there are or will be sufficient assets available to satisfy judgment

Exclusions

- (i) Unless equivalent legal expenses insurance was continuously in force immediately prior to inception of this section any debt arising from an agreement entered into prior to the inception of this section if the debt is due within the first 90 days of the cover provided by this section
- (ii) Any claim relating to the following
 - (a) The settlement payable under an insurance policy
 - (b) The
 - sale
 - purchase
 - terms of a lease
 - licence
 - tenancy
 of land or buildings
 - (c) A loan mortgage pension guarantee or any other financial product and choses in action
 - (d) A motor vehicle owned by or hired by or leased to the **Insured** other than agreements relating to the sale of motor vehicles where the **Insured** is engaged in the business of selling motor vehicles
- (iii) A dispute which arises out of the supply hire sale or provision of computer hardware software systems or services
- (iv) The recovery of money and interest due from another party where the other party intimates that a defence exists
- (v) Any dispute which arises from debts the **Insured** has purchased from a third party

Conditions

- 1 (a) On receiving a claim if representation is necessary **DAS** will appoint a **preferred law firm or tax consultancy** as the **Insured's appointed representative** to deal with the **Insured's** claim
They will try to settle the **Insured's** claim by negotiation without having to go to court
- (b) If the appointed **preferred law firm or tax consultancy** cannot negotiate settlement of the **Insured's** claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest then the **Insured** may choose a law firm or tax expert to act as the **appointed representative**
DAS will choose the **appointed representative** to represent the **Insured** in any proceedings where **we** are liable to pay a compensation award
- (c) If the **Insured** chooses a law firm as their **appointed representative** who is not a **preferred law firm or tax consultancy** **DAS** will give the **Insured's** choice of law firm the opportunity to act on the same terms as a **preferred law firm or tax consultancy**
However if they refuse to act on this basis the most **we** will pay is the amount **we** would have paid if they had agreed to the **DAS Standard Terms of Appointment**
The amount **we** will pay a law firm (where acting as the **appointed representative**) is currently £100 per hour
This amount may vary from time to time
- (d) The **appointed representative** must co-operate with **DAS** at all times and must keep **DAS** up to date with the progress of the claim
- 2 An **insured person** must
 - (a) co-operate fully with **DAS** and the **appointed representative**
 - (b) give the **appointed representative** any instructions that **DAS** ask them to
- 3 (a) An **insured person** must tell **DAS** if anyone offers to settle a claim and must not negotiate or agree to any settlement without written consent from **DAS**
- (b) If an **insured person** does not accept a reasonable offer to settle a claim **we** may refuse to pay further **costs and expenses**
- (c) **We** may decide to pay an **insured person** the reasonable value of the claim that the **insured person** is claiming or is being claimed against them instead of starting or continuing legal action
In these circumstances an **insured person** must allow **DAS** to take over and pursue or settle a claim in their name
An **insured person** must allow **DAS** to pursue at **our** expense and for **our** benefit any claim for compensation against any other person and an **insured person** must give **DAS** all the information and help **DAS** need to do so
- 4 (a) An **insured person** must instruct the **appointed representative** to have **costs and expenses** taxed assessed or audited if **DAS** ask for this
- (b) An **insured person** must take every step to recover **costs and expenses** and court attendance and jury service expenses that **we** have to pay and must pay **us** any amounts that are recovered
- 5 If the **appointed representative** refuses to continue acting for an **insured person** with good reason or if an **insured person** dismisses the **appointed representative** without good reason the cover **we** provide will end immediately unless **DAS** agree to appoint another **appointed representative**
- 6 If an **insured person** settles a claim or withdraws their claim without **DAS'** agreement or does not give suitable instructions to the **appointed representative** **we** can withdraw cover and will be entitled to reclaim any **costs and expenses** **we** have paid
- 7 **DAS** may require the **Insured** to get at the **Insured's** own expense an opinion from an expert that **DAS** consider appropriate on the merits of the claim or proceedings or on a legal principle
The expert must be approved in advance by **DAS** and the cost agreed in writing between the **Insured** and **DAS**
Subject to this **we** will pay the cost of getting the opinion if the expert's opinion indicates that it is more likely than not that the **Insured** will recover damages (or obtain any other legal remedy that **DAS** have agreed to) or make a successful defence

- 8 If there is a disagreement between the **Insured** and **DAS** about the handling of a claim and it is not resolved through **DAS'** internal complaints procedure the **Insured** can contact the Financial Ombudsman Service for help
This is a free arbitration service for eligible consumers small business charities and trusts (details available from www.financial-ombudsman.org.uk)
If the dispute is not covered by the Financial Ombudsman Service there is a separate arbitration process available
The arbitrator will be a barrister solicitor or other suitably qualified person chosen jointly by the **Insured** and **DAS**
If there is a disagreement over the choice of arbitrator **DAS** will ask the Chartered Institute of Arbitrators to decide
The arbitrator will decide who will pay the costs of arbitration
For example costs may be split between the **Insured** and **DAS** or may be paid by either the **Insured** or **DAS**
- 9 An **insured person** must
- keep to the terms and conditions of this section of the policy
 - take reasonable steps to avoid and prevent claims
 - take reasonable steps to avoid incurring unnecessary costs
 - send everything **DAS** ask for in writing
 - give **DAS** full and factual details of any claim and give **DAS** any information they need and
 - report any claim to **DAS** within 180 days of the date the **insured person** should have known about the **insured event**
- 10 All Acts of Parliament mentioned in this section of the policy include equivalent laws in Scotland Northern Ireland the Isle of Man and the Channel Islands as appropriate

Exclusions

- Costs and expenses** incurred before the written acceptance of a claim by **DAS**
- Fines penalties compensation or damages which the **insured person** is ordered to pay by a court or other authority other than compensation awards as covered under insured event 1(b) – Compensation awards and insured event 2(c) – Legal defence
- Any claim relating to patents copyrights trademarks merchandise marks registered designs intellectual property secrecy and confidentiality agreements
- Any claim relating to rights under a franchise or agency agreement entered into by the **Insured**
- Any **insured event** deliberately or intentionally caused by an **insured person**
- A dispute with **us** or **DAS** not otherwise dealt with under Condition 8 of this section
- Any claim relating to a shareholding or partnership share in the **Insured's** business
- Costs and expenses** arising from or relating to judicial review coroner's inquest or fatal accident inquiry
This exclusion does not apply to insured event 4(b) – Personal injury
- Any legal action an **insured person** takes which **DAS** or the **appointed representative** have not agreed to or where the **insured person** does anything that hinders **DAS** or the **appointed representative**
- Any claim where either at the start of or during the course of a claim
 - the **Insured** is declared bankrupt
 - the **Insured** has filed a bankruptcy petition
 - the **Insured** has filed a winding-up petition
 - the **Insured** has made an arrangement with the **Insured's** creditors
 - the **Insured** has entered into a deed of arrangement
 - the **Insured** is in liquidation
 - part or all of the **Insured's** affairs or property are in the care or control of a receiver or administrator
- Any claim relating to written or verbal remarks that damage the **insured person's** reputation
- Any claim where an **insured person** is not represented by a law firm barrister or tax expert

General information

Complaints procedure

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

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

For all complaints other than Legal expenses complaints

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

Tel: **0345 777 3322**

Fax: **0345 604 4486**

Email: complaints@ecclesiastical.com

For Legal expenses complaints

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

Tel: **0344 893 9013**

Or if calling from abroad

+44 (0)1452 875 925

Email: customerrelations@das.co.uk

Our promise to you

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

To resolve your complaint we will

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

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

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

Tel: **0800 0 234 567**

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

Web: www.financial-ombudsman.org.uk

If you have bought your insurance online, you can also register your complaint on the Online Dispute Resolution website <http://ec.europa.eu/consumers/odr/>, which has been set up by the European Commission.

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

The Financial Services Compensation Scheme

The Financial Services Compensation Scheme (FSCS) is the independent body, set up by Government, which gives you your money back if your authorised* financial services provider goes bust.

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

For further information on the scheme you can visit the website at:

www.fscs.org.uk

or write to:

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

Tel: **0207 741 4100** or **0800 678 1100**

Fax: **0207 741 4101**

Email: enquiries@fscs.org.uk

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

Notes

Notes

This contract is underwritten by:
Ecclesiastical Insurance Office plc.

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

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

www.fca.org.uk/register

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

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

Or visit us at

www.ecclesiastical.com

If you would like this booklet in large print, braille, on audio tape or computer disc please call us on **0345 777 3322**. You can also tell us if you would like to always receive literature in another format.



Beaufort House, Brunswick Road,
Gloucester GL1 1JZ

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Changes to your policy: Property Owners Insurance renewal pack

How has your policy changed?

We have updated your policy to the most up-to-date version. This document summarises the key differences. For full details of what is included, please refer to your new documentation which you should check carefully to ensure it still meets your needs. **If you have any questions or concerns please contact us.**

Cover/item	Your old policy	Your new policy
How we use your data	Our notice is in line with the Data Protection Act 1998.	<p>Our notice has been updated in line with the General Data Protection Regulation applicable from 25 May 2018.</p> <p>We have also included the notice for DAS Legal Expenses Insurance Company Limited (DAS) in the Legal expenses section.</p>
Property damage section – Buildings definition	Please see your policy for details.	We have clarified that buildings does not include any natural or artificial watercourses or bodies of water including their confines and structures.
Terrorism section	See your policy for this section of cover, your schedule will show if you have this.	<p>We've made changes as required by our reinsurer Pool Re including:-</p> <ul style="list-style-type: none">- new cover for some terrorist-related cyber events- clarification over mixed-use (residential and commercial) properties that may be insured.
Liabilities section Public liability – Data protection extension	Covers you for third party claims for damages under the Data Protection Act 1998.	<p>Covers you for third party claims for damages under the most recent data protection legislation.</p> <p>Also covers defence costs for certain prosecutions in connection with the legislation – this is for claims occurring in the current period of insurance.</p> <p>To further protect you we are providing some additional cover for past events that would have been covered under a previous 'claims made' policy which you become aware of in the current period of insurance, and report to us within 28 days of you becoming aware.</p>

Cover/item	Your old policy	Your new policy
Legal expenses section – Various changes as below		
Limit of indemnity	If you have this cover, your schedule will show the limit of indemnity that applies, this may be less than £250,000.	<p>If you have this cover a minimum limit of indemnity of £250,000 applies, to reflect increasing legal costs.</p> <p>See your schedule for the limit that applies to you.</p> <p>For clarification, the term “limit of indemnity” is defined in your policy; it covers legal costs and expenses including solicitors’ and barristers’ fees, court costs, expenses for expert witnesses, attendance expenses, accountants’ fees and employment compensation awards (the latter are further limited to an aggregate limit in total for all such awards in any period of insurance as stated in your policy).</p>
Cover	The date of occurrence (as defined) must be within the period of insurance.	<p>The date of occurrence (as defined) must be within the period of insurance.</p> <p>To further protect you we are providing some additional cover for past events that would have been covered under a previous ‘claims made’ policy which you become aware of in the current period of insurance.</p>
Insured event – Employment disputes and compensation awards	This covers disputes which arise out of contracts of employment.	<p>Your new policy clarifies that this cover does not extend to:</p> <ol style="list-style-type: none"> 1. internal disciplinary and grievance procedures; or 2. any settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure.
Insured event – Legal defence – Data protection	Cover is provided in line with the Data Protection Act 1998.	<p>Cover is provided in line with the General Data Protection Regulation applicable from 25 May 2018.</p> <p>We have also confirmed that we will not cover any cyber-related claims e.g. due to virus or similar under this cover.</p>
Insured event – Legal defence – Formal investigations and disciplinary hearings	Your policy did not cover formal investigations or disciplinary hearings.	Your new policy includes cover for formal investigations and disciplinary hearings.

Cover/item	Your old policy	Your new policy
Insured event – Contract disputes (your schedule will show if you have this cover)	The excess you must pay, if your claim exceeds £5,000, is £500.	Your new policy confirms when you will be expected to pay this excess.
Insured event – Leased or let property (including removal of squatters)	Removal of squatters cover in policy, other covers may have been added by endorsement.	Your new policy includes covers for repossession of your property and recovery of money owed by tenants.
Section exclusions	Excludes any claim which could result in a Group Litigation Order.	The exclusion for any claim which could result in a Group Litigation Order has been removed.

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

Or visit us at

www.ecclesiastical.com

We can provide this booklet, upon request, in large print, Braille, audio tape and e-text.

