



INSURANCE POLICY

Property Owners

Please read this document carefully.
Should you have any questions, please contact your insurance agent.

Policy Information

This Policy has been prepared in accordance with Your instructions. Please read it carefully to ensure that it meets Your requirements.

This Policy consists of

1. the introduction which explains the basis on which cover is provided;
2. the Schedule which shows details of the Policyholder Period of Insurance the Business being covered the Property or Events insured Limits of Liability and certain amounts You will be responsible for and details of which Sections are operative;
3. the Statement of Fact which is a record of the information that You provided to Your insurance agent about You and Your Business upon which Your insurance quotation is based;
4. Policy Definitions and Conditions;
5. the Sections of the Policy which give details of the cover;
6. General Exceptions to cover applying to the whole Policy;
7. Any Endorsements or Warranties which might apply to the Policy or individual Sections and which incorporate cover amendments extensions limitations and the like.

Immediate notice should be given to Us of any changes which may affect the insurance provided by this Policy.

Alterations in the cover required after the issue of the Policy will be confirmed by a separate Endorsement and/or Schedule and/or Statement of Fact which You should file with Your Policy. You should refer to the Schedule and Statement of Fact and Endorsement(s) and the Policy to ascertain precise details of cover currently in force.

Our Promise to You

Our goal is to provide excellent customer service to all Our customers but we recognise that sometimes things may go wrong. We take complaints seriously and aim to resolve all of Our customers problems promptly.

If this cover does not meet with Your requirements please return all of Your documents and any Employers Liability Certificate(s) to Your insurance agent who has arranged the cover within 14 days of receipt. We will return any premium paid in full.

If You wish to terminate the cover at any other time please contact Your insurance agent who arranged it and any return premium will be at the discretion of Arista Insurance.

Making a Claim

To report or make a claim follow the instructions provided in the General Conditions – Claims Procedure

To make a legal expenses claim

For Policyholders who have elected either Essential Business Legal Expenses or Absolute Business Legal Expenses Section please contact ARAG in the event that you need to make a claim including if you are considering carrying out a redundancy

Claims telephone number: 0117 917 1698 or report on line at www.arag.co.uk/newclaims

Under no circumstances should you instruct your own lawyer or accountant as ARAG will not pay the costs incurred and it could invalidate your cover.

All other claims

To register a claim under any other Section You should contact **Arista claims on 0345 415 0492.**

If You have a need to seek additional assistance please contact Your insurance agent

Help and Assistance

As an Arista Insurance customer you have access to a website and helplines as described below. Most of these helplines are available 24 hours a day 365 days a year and are available to you at no additional charge under your Business Legal Expenses cover.

Legal and Tax Helpline

0344 472 2924

Through this number Arista Insurance Policyholders have 24 hour access to legal advice on numerous topics including tax, employment issues and health and safety issues. The advice covers business-related legal matters within EU law and tax matters within the UK. Your query will be dealt with by a qualified specialist experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

Staff Counselling Helpline

0333 000 2082

This helpline is accessible by Your staff providing professional confidential support. The counselling can be used for any aspect of their life and is not restricted to work-related matters.

Crisis Communication Helpline

0344 571 7964

Where you need help to respond to negative publicity or media attention you can access professional public relations support and crisis communication support. You are insured against the cost of crisis communication services under Insured event 11 of your Business Legal Expenses cover when you use this helpline.

Redundancy Approval Helpline

0117 917 1698

(under Essential Business Legal Expenses cover)

In relation to the Essential Business Legal Expenses cover We can arrange for specialist advice if you are planning redundancies. This will assist you to implement a fair selection process and ensure that the redundancy notices are correctly served. This service is available between 9am and 5pm on weekdays (except bank holidays) subject to a charge.

Business Legal Services

www.araglegal.co.uk

By choosing Arista Insurance, you also have free access to business support via www.araglegal.co.uk. The Business Legal Services website provides the essential tools and services to prepare vital paperwork; for example, your Health & Safety Policy, up to date employment legal procedures, advice on management and recovery of debts.

Register today at www.araglegal.co.uk and enter the voucher code shown on your policy schedule to access the law guide and download legal documents to help with commercial legal matters. For a fee you can have your documents reviewed by a solicitor to ensure they meet your specific requirements.

How to Complain

If You have any enquiry arising from Your Policy please contact Your insurance agent who arranged the Policy for You or the local Arista Insurance office quoting the Policy number in all cases

If You have a complaint arising from Your Policy please contact

The Chief Executive
Arista Insurance Limited
40 Mitre Street, London EC3A 5BZ
www.Arista-Insurance.com

After this action if You are still not satisfied with the way a complaint has been dealt with Your complaint may also be referred to the Financial Ombudsman Service The address is

Financial Ombudsman Service
Exchange Tower
London E14 9SR
www.financial-ombudsman.org.uk

Telephone: 0800 023 4567/ 0300 123 9 123

Fax: 020 7964 1001

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

The Financial Ombudsman Service is an independent service in the UK for settling disputes between consumers and businesses providing financial services

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

Financial Services Compensation Scheme

Should We be unable to meet our liabilities You may be entitled to compensation from the Financial Services Compensation Scheme. Further information is available from the Financial Services Compensation Scheme. Their telephone number is 0800 678 1100 or 020 7741 4100. Alternatively, more information can be found at www.fscs.org.uk

Important Information

The Employers Liability (Compulsory Insurance) Regulations 1998 lay down certain obligations for employers and in particular You should be aware of the following

Display of Certificates

We will provide You with a Certificate of Employers Liability Insurance and this will state clearly the companies covered by it You must display either an original copy or make available a copy of the Certificate of Employers Liability Insurance in an electronic format at each Business Premises where Your Employees can see it easily

Retention of Certificates

The Employers' Liability (Compulsory Insurance Amendment) Regulations 2008 remove the requirement for You to retain copies of Certificates of Employers Liability Insurance that have expired for at least 40 years However it is still good business practice to retain the certificates because certain claims eg disease could be made many years after the disease is caused and if Your insurer can not be identified You could be liable for any payments

Data Protection

We may use the details You have given to provide You with a quotation deal with Your Policy to search credit reference agencies who may keep a record of the search to support the development of Our business by including Your details in customer surveys and for market research and compliance business reviews

We share Your details with those companies who are underwriting Your Policy with approved organisations for fraud prevention purposes and with companies where We are legally obliged to do so

We may also share Your details with third parties so that we may tell You of products and services which we think may interest You by telephone email or post If You do not want to know about these products or services please write to Arista Insurance Limited 40 Mitre Street, London EC3A 5BZ

Under the Data Protection Act We can only discuss the details given with You If You would like anyone else to act on Your behalf please let Us know Your details will not be kept longer than is necessary

Under the terms of the Data Protection Act 1998 You are entitled to a copy of all information Arista Insurance holds about You

Your personal details may be transferred to countries outside the EEA They will at all times be held securely and handled with the utmost care in accordance with all principles of UK law

Index

	Page Number
The Contract of Insurance and the Underwriters	7
General Definitions	9
General Conditions	11
General Exceptions	16

Sections

Property Damage	19
Equipment Breakdown	31
Legal Liabilities	36
Essential Business Legal Services	43
Loss of Rental Income	50
Terrorism	57
Engineering Inspection	60

The Contract of Insurance and the Underwriters

This Policy is underwritten by Ageas Insurance Limited and certain Underwriters at Lloyd's and other insurance companies (hereinafter called the 'Underwriters') and is administered by Arista Insurance Limited in accordance with the authority granted under binding authority agreement(s)

In consideration of payment of the premium the liability of an Underwriter under this contract is several and not joint with other insurers party to this contract to indemnify You within the limits terms conditions and exceptions of this Policy against the events set out in the sections operative and occurring in connection with the Business during the Period of Insurance and any subsequent period for which You pay and the Underwriter agrees to accept a premium

An Underwriter is not jointly liable for the proportion of liability underwritten by any other Underwriter Nor is an Underwriter otherwise responsible for any liability of any other Underwriter that may underwrite this contract

The proportion of liability under this contract underwritten by an Underwriter (or in the case of a Lloyd's syndicate the total of the proportions underwritten by all the members of the syndicate taken together) is shown below

Where the Underwriter is a Lloyd's syndicate each member of the syndicate (rather than the syndicate itself) is an Underwriter Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together) The liability of each member of the syndicate is several and not joint with other members A member is liable only for that members proportion A member is not jointly liable for any other members proportion Nor is any member responsible for any liability of any other Underwriter that may underwrite this contract The business address of each member is Lloyd's, One Lime street, London EC3M 7HA The identity of each member of a Lloyds syndicate and their respective proportion may be obtained by writing to Market Services at the above address

Although reference is made at various points in this clause to "this contract" in the singular where circumstances so require this should be read as a reference to contracts in the plural

Each Underwriter is only liable in respect of the cover or engineering inspection service provided under the Section(s) of this Policy shown against them below and not any other section

Essential Business Legal Expenses Section	Brit Syndicate 2987 at Lloyd's managed by Brit Syndicates Limited (FCA Register number 204930) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and administered by ARAG plc (FCA Register No 452369) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Engineering – Machinery Damage Section	HSB Engineering Insurance Limited (FCA Register No 202738) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Engineering Inspection	HSB Engineering Insurance Services Limited is accredited by UKAS as a type A Inspection Authority in accordance with the recognised international standard ISO/IEC 17020
All Other Sections	Ageas Insurance Limited 60% - (FCA Register No 202039) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority Lloyd's Syndicate 4444 which is managed by Canopus Managing Agents Limited 35% (FCA Register No 204847) authorised by the Prudential

Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Novae Syndicates Limited 5%(FCA Register No 204888) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

You have provided information to Us which includes but is not limited to the information detailed in the Statement of Fact You agree that all information provided to Us is true and is incorporated in and forms the basis of this Policy



Signed for and on behalf of the Underwriters

Andy Baughan - Chief Underwriting Officer

Arista Insurance is Registered in England and Wales No 5938669

Registered Office: Towergate House, Eclipse Park, Sittingbourne Road, Maidstone, Kent ME14 3EN

This Policy is a legal contract You must tell Us about any facts or changes which affect Your insurance which have occurred either since Your Policy started or since the last renewal date

If You are not sure whether certain facts are relevant please ask Your insurance agent or the local Arista Insurance branch If You do not tell Us of relevant changes Your Policy may not be valid or the Policy may not cover You fully

You should keep a written record (including copies of letters) of any information You give Us or Your insurance agent when You renew this Policy

Arista Insurance Limited (FRN 459593) an appointed representative of Towergate Underwriting Group Limited FCA Register Number 313250, authorised and regulated by the Financial Conduct Authority.

You can check this information on the Financial Conduct Authority register by visiting the FCA's website www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768. Information relating to the Prudential Regulation Authority can be found at www.bankofengland.co.uk/pru

General Definitions

Each time We use one of the words or phrases listed below it will have the same meaning wherever it appears in Your Policy unless We state otherwise.

A defined word or phrase will start with a capital letter each time it appears in the Policy except for headings and titles.

Each Section of the Policy contains definitions which apply to that particular Section and they must be read in conjunction with the following General Definitions.

We/Us/Our

The Underwriters as set out in the section of the Policy headed The Contract of Insurance and the Underwriters

You/Your/Policyholder

The person(s) or Company shown in the Schedule as the Policyholder.

Business

The Business described in the Statement of Fact and specified in the Schedule.

Damage

Accidental loss destruction or damage.

Employee

Any person working under Your control in connection with the Business who is

1. under a contract of service or apprenticeship with You
2. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by You
3. a labour master or person supplied by him
4. a person engaged by a labour only sub-contractor
5. a self-employed person working on a labour only basis
6. a driver or operator of hired-in plant
7. a trainee or person undergoing work experience
8. a voluntary helper
9. persons working under the Community Offenders Act 1978 the Community Offenders (Scotland) Act 1978 or similar legislation
10. at Your request outworkers or home workers employed under contracts to execute personally any work in connection with the Business

Excess

The first amount of each and every claim for which You shall be responsible as shown in the Schedule

Injury

Bodily injury including death illness or disease

Limit of Liability

The Limit of Liability stated in the Schedule

Money

Current coin bank and currency notes postal and money orders bankers drafts cheques and giro cheques crossed warrants bills of exchange and securities for money postage revenue national insurance and holiday with pay stamps national insurance

and holiday with pay cards national savings certificates war bonds premium savings bonds and franking machine impressions credit company sales vouchers luncheon vouchers trading stamps and VAT invoices

Period of Insurance

The period shown in the Schedule for which We accept Your Premium

Person-Insured

You or any of Your partners directors or Employees aged not less than 16 years nor more than 75 years

Premises

The buildings and the land within the boundaries belonging to them at the address or addresses specified in the Statement of Fact and described in the Schedule

Policy

This Policy document Schedule Statement of Fact Employers Liability Certificate and any Endorsements or Warranties attached or issued.

Property

Material property

Schedule

The Schedule for the time being inforce detailing the cover provided

Statement of Fact

This is a record of the information that You provided to Your insurance agent about You and Your Business upon which upon which Your insurance quotation is based

Sum Insured

The Sum Insured as stated in the Schedule

Vacant or Disused

The Premises or any part thereof that have become unoccupied untenanted or which have not been actively used for a period of more than 30 days or is no longer in active use and is awaiting refurbishment redevelopment renovation or demolition

General Conditions

Each Section of the Policy contains conditions and must be read in conjunction with the following General Conditions which apply to all Sections unless otherwise stated

Average

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the total value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

Basis of Claims Settlement for Property

Unless stated otherwise in the Schedule the basis of settlement under this Policy shall be

1. **Reinstatement** – the amount payable in respect of Buildings Plant Machinery or Tenants Improvements shall be the cost of the reinstatement of the Damage

For this purpose “reinstatement” means

- a. the rebuilding or replacement of Property Insured 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 Insured damaged

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

Provided that

1. Our liability for the repair or restoration of Property Insured damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed
2. 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 Condition exceeds its Sum Insured at the commencement of any Damage Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time
3. No payment beyond the amount which would have been payable in the absence of this Condition 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 the Damage shall be insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement
4. All the terms and Conditions of this Policy shall apply
 - a. in respect of any claim payable under the provisions of this Condition except insofar as they are varied hereby
 - b. where claims are payable as if this Condition had not been incorporated

The maximum amount We will pay in respect of any one item is the Sum Insured

2. **Indemnity** – the amount payable in respect of Stock and or all other Property Insured shall be the value at the time of Damage or at Our option the cost of reinstatement or replacement of such Property Insured or any part of it

Provided that

If at the time of Damage the Sum Insured for the item is less than 85% of the value of the item insured then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of the Property Insured

Cancellation

We may cancel the Policy by sending You 30 days written notice to Your last known address We will refund a proportionate part of the premium paid for the unexpired period

If the premium has not been paid or if there has been a default under an instalment or linked credit agreement this insurance will cease immediately and We will not refund any instalment paid

Choice of Law and Jurisdiction

In the absence of agreement to the contrary this Policy shall be governed by and construed in accordance with the laws of England and Wales Any dispute relating to limits terms conditions and exceptions or validity of this Policy shall be subject to the jurisdiction of the courts of England and Wales

Change of Risk

We shall not indemnify You under this Policy if

1. there has been any material change to the risk after the commencement of this insurance whereby the risk of Damage or Injury is increased or
2. Your interest ceases (unless the cessation is brought about by will or operation of law)
3. the Business does any of the following
 - a. making a composition or arrangement with creditors
 - b. have a proposal for a voluntary arrangement for a composition of debts or scheme of arrangement approved in accordance with the Insolvency Act 1986
 - c. have an application made under the Insolvency Act 1986 to the court for the appointment of an administrator
 - d. have a winding up order made or (except for the purposes of amalgamation or reconstruction) a resolution for voluntary winding up passed or have a provisional liquidator receiver or receiver and manager of the business or undertaking duly appointed
 - e. have an administrative receiver as defined in the Insolvency Act 1986 appointed or having possession taken by or on behalf of the holders of any debentures secured by floating charge or of any property comprised in or subject to the floating charge unless agreed by Us in writing

Claims Procedure

If in relation to any claim You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

1. You must provide written notice to Us immediately You have knowledge of any event occurrence prosecution inquest or inquiry which may result in a claim regardless of Excess and pass to Us immediately on receipt every letter claim writ summons and process in connection with any claim
2. You must notify the police immediately of Damage caused by malicious persons or thieves
3. You at Your expense provide Us with a written claim containing as much information as possible of the accident Damage or Injury including the amount of the claim within
 - a. 30 days of Your becoming aware of the event or occurrence
 - b. 7 days in the case of Damage caused by riot civil commotion strikers locked out workers persons taking part in labour disturbances or malicious personsor such further time that We may allow
4. You must provide Us with all information and help We require in respect of the claim
5. You must pass to Us unanswered immediately all communications from third parties in relation to any event which may result in a claim under this Policy
6. You do not admit or repudiate liability nor offer to settle compromise make payment which may result in a claim or pay any claim under this Policy without Our written agreement
7. You will carry out or permit to be taken any action which may be reasonably practicable to prevent or minimise loss and/or interruption of the Business and to prevent further accident Damage or Injury
8. We will be entitled at any time and at Our discretion if Damage occurs which may lead to a claim to
 - a. enter or take possession of the building or premises
 - b. take possession of or require to be delivered to Us Property insured which We will deal with in a reasonable manner

- c. take over and conduct in Your name the defence or settlement of any claim or to prosecute any claim in Your name for Your benefit and have full discretion in the conduct of any proceedings and in the settlement of any claim without incurring liability or reducing Our rights
 9. We will not pay for loss destruction or damage or provide cover under Legal Liabilities Section if You or anyone acting on Your behalf
 - a. do not comply with Our requirements
 - b. hinder or obstruct Us
- You are not entitled to abandon Property to Us

Contribution

Applicable to the Legal Liabilities Section

1. If the insurance provided by these sections is also covered by another policy (or would but for the existence of these sections) We will only indemnify You in respect of any excess beyond the amount which would be payable under such other insurance had these sections not been effected

Applicable to all other Sections insured by this Policy

2. Where any loss destruction damage or liability covered by the Policy is also covered by another policy (or would be but for the existence of this Policy) We will only pay a rateable share of the loss
3. If the other insurance is subject to a condition of average and this Policy is not this Policy will be become subject to the same condition of average
4. If the Property insured covered by the other insurance is subject to a provision excluding proportional payment in whole or part the payment We make will be limited to the proportion of loss destruction or damage as the Sum Insured bears to the value of the property

Contracts (Rights of Third Parties) Act 1999

A person or company who was 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

Discharge of Liability

We may at any time pay

1. the Limit of Liability or the Limit of Indemnity or
2. the Sum Insured or
3. a smaller amount for which a claim can be settled after deduction of any sum already paid We will not make any further payments except for costs and expenses incurred prior to the payment of the claim

Fraud

If a claim made by You or anyone acting on Your behalf to obtain a benefit under this Policy is in any respect fraudulent or uses fraudulent means or devices or intentionally exaggerates or a false declaration or statement is made in support of a claim all benefit under this Policy shall be forfeited

Identification

The Policy Schedule and the Statement of Fact will be read together and form the basis of contract between You and Us

Index Linking

Whenever a Sum Insured is declared to be subject to Index Linking it is adjusted at monthly intervals as follows

1. in respect of Buildings Landlords Fixtures and Fittings internal decorations shop fronts and tenants improvements in accordance with the percentage change in the General Building Cost Information Service
2. in respect of Stock in trade and Loss of Rent in accordance with the percentage change in the Producer Price Index for Home Sales of Manufactured Products

3. in respect of all other Contents other than Stock in trade in accordance with the Durable Goods Section of the Retail Prices Index

At each renewal the premium will be adjusted to apply to the Sum Insured which then pertains and We waive all rights to additional premium arising solely out of such index adjustments prior to renewal

Interest Clause

The interests of third parties which You are required to include on this Policy under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically noted subject to You advising Us as soon as is reasonably practicable

Non Disclosure Misrepresentation or Misdescription

This Policy shall be voidable if You or anyone acting for You fails to disclose misrepresents or misdescribes any material particular

Reasonable Care

If in relation to any claim You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must

1. take all reasonable precautions to prevent or minimise any circumstance or to cease any activity which may cause accident Damage or Injury
2. maintain the Premises machinery plant and equipment and furnishings in a good state of repair
3. exercise care in the selection and supervision of Employees
4. comply with all relevant statutory requirements manufacturers recommendations and other regulations relating to the use inspection and safety of property and the safety of persons
5. make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require

Reinstatement

When We decide or are required to reinstate or replace any Property You will at Your expense provide

1. plans
2. documents
3. books
4. information

which We require

We will not be obliged to reinstate Property exactly but only in a satisfactory manner as circumstances allow

The maximum amount We will pay in respect of one item is the Sum Insured

Sanction Limitation and Exclusion

We shall not be liable to pay any claim or provide any benefit under any insurance cover or extension 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.

Subrogation

Anyone making a claim under this Policy must at Our request and expense do everything We reasonably require to

1. enforce a right or remedy
or
2. obtain relief or indemnity

from other parties to which We will become entitled or subrogated because of payment for or making good accident Damage or Injury We may require You to carry out such actions before or after We make any admission of or payment of a claim

Unoccupancy

Whenever a building or portion of a building becomes Vacant or Disused We shall not be liable for the first £500 of each claim for Damage caused by Malicious Persons (other than by fire or explosion) not acting on behalf of or in connection with any political organisation storm flood escape of water or fuel oil sprinkler leakage or theft

If in relation to any claim for Damage in respect of any Vacant or Disused buildings You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must

1. tell Us immediately if any building or part of any building becomes Vacant or Disused
We shall have the right to change the terms and conditions of the Policy and You must action any risk improvement measures that We require within the agreed timescales and pay any additional premium if required
2. ensure all services are turned off at the mains except electricity where needed to maintain any fire or intruder alarm system in operation and the water and heating system drained (and wherever possible chain and padlock the isolation valves)
You must at Our request provide any bills for any utilities being supplied to the Premises at the time of any Damage resulting from escape of water for verification by Us
3. carry out at least weekly internal and external inspections of the Premises and
 - a. maintain a weekly log of such inspections
 - b. as soon as possible repair or arrange to be repaired any defects found
4. ensure that the Premises are adequately secured against unauthorised entry including the sealing of any letterboxes and openings
5. remove any accumulations of combustible materials such as junk mail and newspapers during each inspection of the Premises
6. advise Us immediately if the buildings are to be occupied by contractors for renovation alteration or conversion purposes or if the buildings are to become occupied or used

General Exceptions

Each Section of the Policy contains exceptions and must be read in conjunction with the following General Exceptions which apply to all Sections unless otherwise stated

This Policy does not cover

Nuclear Risks

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

1. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

Subject to indemnity under the Employers Liability Sub-Section as far as concerns Injury caused to any of Your Employees if such Injury arises out of and in the course of employment or engagement of such person by You this General Exception shall only apply

- a. in respect of liability of any Principal
- b. liability assumed by You under agreement and which would not have attached in the absence of such agreement

War Government Action and Terrorism

1. Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - a. War Government Action or Terrorism
 - b. civil commotion in Northern Ireland
2. legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism except to the extent stated in the Liability Provisions

For the purpose of this General Exception and its Liability Provisions –

War shall mean war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution or military or usurped power

Government Action shall mean martial law confiscation nationalisation requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling preventing suppressing or in any way relating to War

Terrorism shall mean any act(s) of any person(s) or organisation(s) involving

1. the causing occasioning or threatening of harm of whatever nature and by whatever means
2. putting the public or any section of the public in fear

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) are wholly or partly of a political religious ideological or similar nature

In any action suit or other proceedings where We allege that by reason of this Exception as far as it relates to Terrorism any Damage or resulting loss or expense or consequential loss is not covered by this insurance the burden of proving that such Damage loss expense or consequential loss is covered shall be upon You

Liability Provisions

Subject otherwise to the terms definitions exclusions exceptions provisions and conditions of this Policy and its Legal Liabilities Section

1. We will indemnify You under the Employers Liability Sub-Section provided that in respect of any one claim or series of claims arising out of any one original event Our liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed £5,000,000
2. We will indemnify You under the Property Owners Liability Sub-Section against legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism provided that Our liability for all damages (including interest thereon) shall not exceed
 - a. in respect of or arising out of any one event or all events of a series consequent upon one original cause £2,000,000 or the amount of the Property Owners Liability Sub-Section Indemnity limit stated in the Schedule whichever is the lower but in respect of Products Supplied this limitation shall apply to all insured events occurring in any one Period of Insurance
 - b. in respect of all Pollution or Contamination consequent upon Terrorism and which is deemed to have occurred during any one Period of Insurance £2,000,000 in the aggregate or the amount of the Property Owners Liability Sub-Section indemnity limit stated in the Schedule whichever is the lower

Pollution and Contamination (Applicable to Property Damage Equipment Breakdown Loss of Rental Income Sections)

Damage or Loss of Rental Income caused by or arising from pollution or contamination except (unless otherwise excluded) Damage to the Property Insured caused by

1. pollution or contamination which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers malicious persons other than thieves earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any vehicle or animal
2. any of the Contingencies in (1) above which itself results from pollution or contamination

Date Recognition (Not applicable to Employers Liability Sub-Section)

Damage accident or liability directly or indirectly caused by or consisting of or arising from the failure of any computer data processing equipment or media microchip integrated circuit or similar device or other equipment or system for processing storing or receiving data or any computer software whether Your property or not and whether occurring before during or after the year 2000

1. correctly to recognise any date as its true calendar date
2. to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
3. to capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or to correctly process such data on or after any date

In respect of Property Damage Equipment Breakdown Loss of Rental Income Sections this General Exclusion shall not exclude subsequent Damage not otherwise excluded which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe theft or impact by any vehicle or animal

Sonic Bangs

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

Computer Virus and Hacking

1. Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or

programs or software) and whether Your Property or not where such Damage is caused by Virus or Similar Mechanism or Hacking

2. financial loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking

but this shall not exclude Damage or financial loss which is not otherwise excluded from this Policy and which results from fire lightning explosion earthquake aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikes labour disturbances malicious persons (including the acts of thieves but excluding the acts of malicious persons which do not involve physical force or violence) storm flood escape of water or oil from any tank apparatus or pipe impact by any vehicle or animal

For the purpose of this Exception

Virus or Similar Mechanism shall mean 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 The definition of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs

Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether Your Property or not

Property Damage Section

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Excess/Excesses shall mean

the amount or amounts shown in Your Policy or the Schedule which We will deduct from each and every claim at each separate location and will be deducted after the application of Average.

You will repay any such amount paid by Us.

Property Insured

Property Insured as detailed in the Schedule

Property Insured

Buildings comprising

1. Buildings including foundations
2. landlord's fixtures and fittings including but not limited to lifts and other plant and machinery attached to and forming part of the Building
3. annexes canopies temporary buildings lamp posts street furniture fixed signs gangways pedestrian malls and pedestrian access bridges
4. walls gates fences
5. telephone gas electricity water drainage and sewers electrical instruments meters piping cabling and the accessories thereto providing services to or from the Buildings and extending to the public mains but only to the extent of Your responsibility
6. car parks roads pavements forecourts and similar surfaces all constructed of solid materials
7. landscaping excluding external ponds and lakes
8. fixed glass or polycarbonate substitutes including mirrors fixed glass in furniture plate glass tops ceramic hobs solar glass heating panels double glazed units intruder alarm foils and fixed sanitaryware
9. tenants' improvements if You are responsible and property comprising fixtures and fittings (but excluding moveable contents) formerly the property of tenants but relinquished to You at the time of surrender of lease

all being Your property or for which You are responsible as owner of the Building and situate at the Premises as detailed in the Schedule

Landlords Contents comprising

Furniture furnishings stock in trade potted plants trees and shrubs statues garden furniture contents of fuel tanks video audio building management systems and security equipment and other similar property belonging to You and for which You are responsible as Landlord up to a limit of £5,000 per Premises unless stated otherwise in the Schedule but excluding

1. curios works of art antiques sculptures or rare books where the value of any one article exceeds £1,000
2. property more specifically insured

Cover

We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance at the Premises and caused by each of the following Contingencies as they appear in the Schedule subject to the Excess

The Sum Insured under each item other than for items solely applying to fees removal of debris rent private dwelling houses churches or buildings in course of erection is separately subject to Average

Limit of Liability

The maximum We will pay under this Section in any one Period of Insurance will not exceed

1. the Sum Insured on each item or
2. the total Sum Insured or
3. any other maximum amount payable or limit of liability specified in the Schedule

Standard Contingencies

Fire

But we will not indemnify You for Damage

1. caused by explosion resulting from fire
2. caused by earthquake or subterranean fire
3. to that portion of any item caused by its own self ignition leakage of electricity short circuiting or over running
4. caused by
 - a. its own spontaneous fermentation or heating
 - b. its undergoing any heating process or involving the application of heat

Lightning

Explosion

But we will not indemnify You for Damage

1. caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to You or under Your control in which internal pressure is due to steam only
2. to any vessel machine or apparatus or its contents resulting from the explosion thereof but this shall not exclude Damage caused by explosion of any boiler or gas appliance used for domestic purposes only

Aircraft and /or other aerial devices and/or articles dropped therefrom

Riot Civil Commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation

We will not indemnify You in respect of Damage

1. arising from the cessation of work
2. arising from confiscation or destruction or requisition by order of the Government or any public authority
3. by fire caused by strikers locked-out workers or persons taking part in labour disturbances or malicious persons

Malicious Persons not acting on behalf of or in connection with any political organisation but only where Standard Contingency Riot Civil Commotion is also insured by this Section

Earthquake and or Subterranean Fire

Theft or attempted theft

But we will not indemnify You for

1. dishonest or fraudulent action by You Your partners directors or Employees or any person lawfully on the Premises
2. jewellery precious metals stones or articles composed from them money works of art curiosities rare books bullion or furs except where specifically mentioned in the Schedule as being insured

Storm and falling trees

But we will not indemnify You for Damage

1. attributable solely to change in the water table level
2. caused by

- a. subsidence ground heave or landslip
 - b. inundation from the sea whether resulting from Storm tempest or otherwise
 - c. frost
 - d. escape of water from the normal confines or any natural or artificial water course lake reservoir canal or dam
 - e. felling lopping pruning of trees
3. to fences gates and moveable Property in the open or in open sided Buildings

Flood

We will not indemnify You in respect of Damage

1. caused by
 - a. Storm or tempest
 - b. subsidence ground heave or landslip
 - c. frost
 - d. by escape of water from any tank apparatus or pipe
 - e. felling lopping or pruning of trees
2. attributable solely to change in the water table level
3. to fences gates and moveable Property in the open or in open sided Buildings

Escape of Water from any tank apparatus pipe or escape of fuel from any fixed oil heating installation

We will not indemnify You for Damage caused by water discharged or leaking from an automatic sprinkler installation

Impact by any animal or road vehicle or by goods falling therefrom or collapse or breakage of television or radio receiving aerials or satellite dishes

We will not indemnify You

1. in respect of the Excess stated in the Schedule if the vehicle or animal is owned by or under the control of
 - a. You or any member of Your family
 - b. any of Your Employees
2. in respect of Damage to goods being carried
3. for Damage arising from the erection dismantling repair or maintenance of any television or radio receiving aerials or satellite dishes

Accidental Escape of Water from any Automatic Sprinkler Installation fitted in the Premises

But we will not indemnify You in respect of Damage caused by

1. explosion earthquake subterranean fire or heat caused by fire
2. repairs alterations or extensions to the buildings and/or sprinkler installations

Subject to the following special conditions

If in relation to any claim for Damage by the above Standard Contingency but only in respect of Your responsibility as landlord

You have failed to fulfil any of the following Conditions You will lose Your right to indemnity or payment for that claim.

1. You must take all reasonable steps to prevent frost and other Damage to the automatic sprinkler installation(s) and so far as your responsibility extends to maintain the installation(s) including the automatic external alarm in an efficient condition

In the event of any discharge or leakage from such installation(s) You must do and permit to be done all things practicable whether by removal or otherwise to save and protect the Property Insured
2. When any changes repairs or alterations to the automatic sprinkler installation(s) are proposed You must advise Us and obtain Our agreement to such repairs changes or alterations
3. We must have access to the Premises at all reasonable times for the purpose of inspection and We will notify You of any defects in the construction or condition of the automatic sprinkler installation(s) requiring alteration or repairs. We may also suspend the insurance provided by this Contingency until such alterations or repairs be carried out or approved by Us

4. This Contingency does not cover Damage to the automatic sprinkler installation(s) other than that caused by water accidentally discharged or leaking from the installation(s)

Additional Contingencies

Accidental Damage

But we will not indemnify You for

1. Damage caused by or specifically excluded from any of the Standard Contingencies in this Section
2. Damage caused by or consisting of
 - a. inherent vice latent defect gradual deterioration change in water table level frost wear and tear faulty or defective design or materials
 - b. faulty or defective workmanship operational error or omission by You Your partners directors or Employees or contracted consultantsbut this shall not exclude subsequent Damage which results from a cause not otherwise excluded
3. Damage caused by or consisting of
 - a. Corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - b. change in temperature colour flavour texture or finish the action of light or atmosphere
 - c. joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - d. mechanical or electrical breakdown derangement or overloading in respect of the particular machine apparatus or equipment in which such breakdown or derangement originatesbut this shall not exclude
 - i such Damage not otherwise excluded which itself results from a Standard Contingency or any other accidental cause
 - ii any subsequent Damage which itself results from a cause not otherwise excluded
4. Damage caused by or consisting of
 - a. settling shrinkage or expansion of foundations walls floors ceilings or roof settlement or bedding down of new structures or extensions subsidence ground heave or landslip
 - b. unexplained disappearance unexplained shortage inventory shortage misfiling or misplacing of information
 - c. electrical or magnetic disturbance or erasure of electronic recordings
 - d. You voluntarily parting with the title or possession of any Property or rights to Property
 - e. cessation of work
 - f. the solidification of molten material unless such Damage is directly caused by any other Standard Contingency that is insured by this Section
5. Damage to a Building or structure caused by its own collapse or cracking however We will indemnify You in respect of such Damage if it results from a Standard Contingency and is not otherwise excluded
6. Damage to
 - a. moveable property in the open by wind rain hail sleet snow flood or dust
 - b. Property Insured in transit by air or sea or inland waterway or road
7. Damage in respect of
 - a. Buildings or structures in course of construction or erection and materials or supplies in connection with all such construction or erection
 - b. vehicles licensed or intended to be licensed for road use including accessories thereon attached or unattached caravans trailers watercraft or aircraft
 - c. livestock growing crops or trees
 - d. jewellery precious stones or precious metals or articles composed of them bullion furs curiosities rare books or works of art
 - e. Money credit cards or securities of any description
 - f. fixed glass and sanitary ware other than as defined in Buildings

unless specifically stated in the Schedule and the Damage is not otherwise excluded

8. Damage to Property resulting from its undergoing
 - a. any process of production
 - b. any process of packaging treatment testing commissioning cleaning servicing repair or any other similar process
- However We will indemnify You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded

Subsidence Ground Heave or Landslip

But we will not indemnify You for Damage

1. to forecourts car parks roads pavements swimming pools patios walls gates fences unless such Property is specifically insured by this Section and if Damage occurs to the building to which such Property applies and that building is insured by this Section
2. arising from the settlement or movement of made-up ground or by coastal or river erosion
3. occurring as a result of the construction demolition alteration or structural repair of any Buildings/structures at the Premises
4. arising from the normal settlement or bedding down of new structures
5. that has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law
6. commencing prior to the issue of cover under this Policy

Section Exceptions

The following exceptions apply to this Section

We will not indemnify You for

1. delay loss of market loss of use or consequential loss of any kind unless cover is specified in the Schedule and the Damage is not otherwise excluded
2. any Property more specifically insured by or on behalf of You
3. Damage to working dynamos motors wires main or electrical apparatus through short circuiting overrunning or excessive pressure

Section Conditions

Automatic Reinstatement of Loss

We shall in the event of Damage under this Section automatically reinstate the Sum Insured unless there is written notice by Us to the contrary provided that

1. You undertake to pay the appropriate additional premium
2. You shall take immediate steps to carry out any alterations to the protections of the Premises which We may require

Designation

In determining the item under which Property is insured We will accept the designation given in Your business records

Excess

We shall not be liable for the amount (or amounts) of the Excess stated in the Schedule for each and every claim at each separate Premises after the application of Average

Index Linking

The Sums Insured by this Section are subject to Index Linking

Limit of Liability

The maximum amount payable in respect of any item insured under this Section is the Sum Insured stated in the Schedule for each item plus Index Linking

Requirements

If in relation to any claim in respect of Damage by any insured Contingency You have failed to implement any requirement set against that Contingency as detailed to You within the timescales specified You will lose Your right to indemnity or payment for that claim

Cover Extensions

Annexes

The Property Insured of

1. annexes conveniences and external hoists gangways and staircases
2. extensions communicating with any of the buildings within described
3. sub-stations

are insured under the respective items applying to the Property Insured to which such Property is attached or belongs

Architects Surveyors Legal and Other Professional Fees

The Sum Insured under each item of Building in the Schedule includes an amount in respect of architects' surveyors' legal and other professional fees necessarily incurred in the reinstatement of the Property Insured consequent upon Damage thereto but not for preparing any claim.

It being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional bodies at the time of such Damage and that the liability for such Damage and fees shall not exceed in the aggregate the Sum Insured by each such item

Capital Additions

We will indemnify You for

1. any newly acquired Property Insured insofar as the same are not otherwise insured
2. alterations additions and improvements to the Premises but not in respect of any appreciation in value anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man

The maximum We will pay in respect of any one location under this Extension is

- a. £500,000 in respect of any newly built and/or newly acquired building
- b. £100,000 in respect of alterations additions and improvements to the building

You undertake to give particulars of such Cover Extension as soon as practicable but at least within three months and specifically insure such extensions with Us from the date Our liability commenced and pay the additional premium required

Construction Heating and Occupation of the Buildings

Unless otherwise stated in the Schedule the Buildings are mainly

1. constructed of brick stone or concrete
2. roofed with slates tiles concrete metal or incombustible material
3. heated by
 - a. low pressure hot water or steam
 - b. oil fired space heaters fed from a fuel tank in the open
 - c. overhead gas or electrical appliance
 - d. gas or electric fires in offices only

or as expressly varied in accordance with details provided to Us

Contractors' Interest

Where You are required to effect insurance on the Property Insured in the joint names of You and the contractor under the terms of a contract condition then the interest of the contractor in the Property Insured as joint Policyholder is hereby noted and

You must provide Us with details of any single contract valued in the excess of £100,000 prior to work commencing and pay an additional premium if required

Drain Clearance

The Sum Insured for each item under Buildings and/or Plant Machinery extends to include costs and expenses necessarily incurred by You and for which We agree to for clearing and /or cleaning drains sewers and gutters for which You are responsible and liable following Damage as insured by this Section

Damage by Emergency Services

We will indemnify You for the cost of restoring any Damage caused to gardens and grounds for which you are responsible by the emergency services in attending the Premises as a result of the operation of any Contingency insured under this Section up to a maximum of £10,000 in any Period of Insurance

Day One Basis

Applicable only to those items showing a Declared Value (DV) as stated in the Schedule

1. You having stated in writing the Declared Value incorporated in any item to which this Extension applies the premium has been calculated accordingly

For the purposes of this Extension Declared Value shall mean

Your assessment of the cost of reinstatement of Buildings arrived at in accordance with paragraph (1) of the Basis of Claims Settlement for Property Condition at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for

- a. the additional cost of reinstatement to comply with
 - i. European Union Legislation
 - ii. Act of Parliament
 - iii. Bye-Laws of any public authority
 - b. professional fees
 - c. debris removal costs
2. You must notify Us of the Declared Value at the start of each Period of Insurance
If You fail to notify Us of the Declared Value at the start of any Period of Insurance We will use the last Declared Value notified to Us for the following Period of Insurance after the application of Index Linking
 3. Provisions (2) and (3) of the Basis of Claims Settlement Condition for Property Condition are restated as follows
 - a. If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this Condition at the start of the Period of Insurance Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this Condition
 - b. We will not pay under this Condition
 - i. until You have incurred the cost of replacing or repairing the Property Insured
 - ii. if You or someone acting on Your behalf have insured the Property Insured under another policy which does not have the same basis of reinstatement
 - iii. if You do not comply with any of the provisions of this Condition

However the Sums Insured will be limited to 115% of the Declared Values stated in the Schedule
 4. the maximum We will pay in respect of each separate location subject to this condition is as stated in the Schedule

European Union and Public Authorities Clause

Following Damage as insured by this Section to each item under Buildings We will pay the additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with any

1. European Union legislation or
2. building or other regulations under or framed in pursuance of any Act of Parliament or by-laws of any public authority (both of which are hereinafter referred to as " Regulations" in respect of the destroyed or damaged Property Insured) in respect of

- a. the Property Insured being damaged
- b. undamaged portions of the Property Insured
- c. any water supply equipment at the Premises supplying the sprinkler installation in undamaged portions of the Premises

This Extension does not apply to

- a. the cost incurred in complying with the Regulations
 - i. in respect of Damage occurring prior to the granting of this Section Extension
 - ii. in respect of Damage 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 in respect of undamaged Property Insured or undamaged portions of Property Insured other than foundations (unless specifically excluded) of that portion of the Property Insured destroyed or damaged
- b. the additional cost that would have been required to make good the Property Insured destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Regulations not arisen
- c. the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property Insured or by the owner thereof by reason of compliance with Regulations

Provided that

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 regulations so necessitate) subject to the Our liability under this Section Extension not being thereby increased.
2. if Our liability under any item of this Section apart from this Section Extension shall be reduced by the application of any of the terms Conditions and Exceptions of this Section then Our liability under this Section Extension in respect of any such item shall be reduced in like proportion
3. the total amount recoverable under any item of this Section under this Section Extension shall not exceed
 - a. for damaged Property the Sum Insured
 - b. for undamaged portions of Property (other than foundations) 20% of the sum insured for that item at the Premises where the Damage occurred
 - c. The most We will pay for any item is the Sum Insured

Failure of Tenants Insurances

We will indemnify You in respect of Damage to any Building owned by You in Great Britain Northern Ireland the Channel Islands or the Isle of Man for which (by the terms of an agreement with You) the tenant lessee or other occupier of the Building has an obligation to insure but has failed to maintain in force such insurance

The maximum We will pay in respect of this Cover Extension is £500,000 during the Period of Insurance.

You must advise Us in writing immediately You become aware that such insurance is not in force and pay the appropriate premium due for the period such insurance is not effected.

You must obtain written confirmation from the tenant lessee or occupier and their Insurers at the inception of any such agreement that insurance is in force providing at least the extent of cover provided by this Policy and also carry out an annual check that such insurance is in force for all such properties.

Fire Extinguishing Expenses

We will indemnify You in respect of costs and expenses incurred in refilling recharging or replacing any

1. portable fire extinguishing appliances
2. local fire suppression system

3. fixed fire suppression system
4. sprinkler installation
5. sprinkler heads

as a result of Damage as insured by this Section

We will not indemnify You in respect of any costs and expenses recoverable from the maintenance company or fire service

If in relation to any claim for fire extinguishing expenses You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You must maintain all such equipment in accordance with the manufacturer's instruction which is acceptable to Us

The maximum We will pay in respect of any one claim under this extension is £10,000

Gardening Equipment

We will indemnify You in respect of Damage to gardening equipment owned by You and used in connection with the Business at the Premises

The maximum We will pay in respect of any one claim is £10,000

Inadvertent Failure to Insure

We will indemnify You in respect of Damage to

1. any newly built and/or newly acquired building
2. alterations additions and improvements to an insured building but not in respect of any appreciation in value

which You have an obligation to insure whether owned or leased by You but which inadvertently been left uninsured

The maximum We will pay in respect of any one location under this Cover Extension is

- a. £500,000 in respect of any newly built and/or newly acquired building
- b. £100,000 in respect of alterations additions and improvements to the building
situate anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man

You must advise Us in writing immediately You become aware of a building inadvertently left uninsured and pay the appropriate premium due from the date Our liability commenced

You must carry out at not less than twelve months intervals a check of all properties owned or leased by You and for which You are responsible to ensure that effective insurance is in force on each of them

We will not indemnify You in respect of

1. any building more specifically insured
2. any appreciation in value

Loss of Metered Utilities

We will pay charges for which You are responsible if water oil gas or electricity is accidentally discharged from a metered system providing service to the Premises as a result of Damage insured under this Section

The maximum We will pay for any one claim is £25,000

Loss of Rent and Alternative Accommodation

We will indemnify You if a residence cannot be lived in or if access to it is denied as a result of Damage in respect of

1. loss of rent including ground rent and management charges You should have received but have lost
2.
 - a. the cost of reasonable alternative accommodation incurred by any owner or lessee if this is necessary

b. the cost of reasonable accommodation in kennels and/or catteries for dogs and /or cats belonging to any owner or lessee in residence where such pets are not permitted in any alternative accommodation

3. temporary storage of Your furniture

The maximum We will pay in respect of any one claim is 20% of the Sum Insured on the Building in which the residence is contained

Non-Invalidation

The insurance by this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased unknown to or beyond Your control provided that immediately You become aware thereof You shall give notice to Us and pay an additional premium if required

Other Interests

The interest of parties supplying a Property to You under a hiring leasing or similar agreement is noted in this insurance the nature and extent of any such interest to be disclosed in the event of Damage

Property Temporarily Removed

We will indemnify You in respect of Damage to the Property Insured other than Stock in trade while temporarily removed for

1. cleaning
2. renovation
3. repair

We will not indemnify You for property removed for more than 90 days unless We agree a longer period in writing

The maximum We will pay is 10% of the Sum Insured

Replacement Locks

We will indemnify You for the cost of replacing locks at the Premises if keys are lost from

1. the Premises
2. Your home
3. Your director's homes
4. the home of any authorised Employee

following Theft or attempted theft

or

whilst in Your custody or that of an Employee following Theft or attempted theft

The maximum We will pay for any one loss is £5,000

Removal of Debris

The Sum Insured for each item except on Stock in trade includes costs and expenses You incur with Our consent for

1. removal of debris
2. dismantling or demolishing
3. shoring up or propping

of the portion or portions of the Property Insured sustaining Damage by any of the Contingencies

We will not indemnify You in respect of costs and expenses

- a. incurred in removing debris from anywhere other than the site of the Damage and the area adjacent to it
- b. arising from pollution or contamination of property not insured under this Section
- c. more specifically insured

Subrogation Waiver

In the event of a claim arising under this Section We agree to waive any rights remedies or relief to which We might become entitled by subrogation against

1. any Company standing in the relationship of Parent to Subsidiary (Subsidiary to Parent) to You as defined in the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage
2. any Company which is a Subsidiary of a Parent Company of which You are a subsidiary in each case within the meaning of the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage
3. any tenant or lessee in respect of Damage where the premium has been paid by the tenant or lessee unless the Damage is caused by a criminal or malicious act of the tenant or lessee

Transfer of Interest

If at the time of Damage You shall have contracted to sell Your interest in any Buildings and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase if and so far as the Building is not otherwise insured by or on behalf of the purchaser against such Damage shall be entitled to the benefit of this Section so far as it relates to such Damage without prejudice to Our or Your rights and liabilities under this Section up to the date of completion

Trace and Access

We will pay reasonable costs and expenses with Our consent in locating the source of any escape of water from any fixed domestic water services or heating installation or escape of fuel oil including subsequent repair to walls floors or ceilings provided such Damage is insured by this Section

But we will not indemnify You

1. for the cost of repairs to any fixed domestic water services or heating installation
2. where Damage results solely from a change in the water table level

Our maximum liability shall under this Cover Extension not exceed £25,000 in the aggregate during any one Period of Insurance

Underground Services

We will indemnify You for Damage for which You are legally liable to pay for underground service pipes and cables at the Premises for which You are responsible as tenant but not as owner

The maximum We will pay under this Cover Extension in respect of any claim is the Sum Insured in respect of Buildings at the Premises where Damage occurs

Value Added Tax

The insurance by this Section extends to include Value Added Tax paid by You (including 'self –supply' Value Added Tax where appropriate) which is not subsequently recoverable provided

1. that
 - a. Your liability for such tax arises solely as a result of the reinstatement or repair of the buildings following Damage and
 - b. We have paid or have agreed to pay for such Damage
 - c. If any payment by Us in respect of the reinstatement or repair of such Damage is less than the actual cost of reinstatement or repair any payment under this Cover Extension resulting from that Damage will be reduced in like proportion
2. Your liability for such tax does not arise from the replacement building having greater floor area than or being better or more extensive than the destroyed or damaged building
3. where an option to reinstate on another site is exercised Our liability under this Cover Extension will not exceed the amount of tax that would have been payable had the building been built on its original site
4. Our liability under this Cover Extension will not include amounts payable by You as penalties or interest for non-payment or late payment of tax

The following amendments are made to the Policy in respect of this Section Extension only

- a. or the purposes of any Condition of Average rebuilding costs will be exclusive of Value Added Tax

b. Our liability may exceed the Sum Insured where such excess is solely in respect of Value Added Tax.

Workmen

Workmen are allowed in and about the Premises for the purpose of carrying out minor new works or alterations repairs decorations plant installation or general maintenance and the like without prejudice to the terms and conditions of this Policy

Equipment Breakdown Section

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Accident

Shall mean

1. electrical or mechanical Breakdown including rupture or bursting caused by centrifugal force
2. artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires
3. Explosion or Collapse of Covered Equipment operating under steam or other fluid pressure
4. Damage to Covered Equipment operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such boilers or equipment
5. loss or damage to hot water boilers other water heating equipment oil or water storage tanks caused by or resulting from any condition or even (not otherwise excluded) occurring inside such equipment
6. loss or damage caused by operator error
7. loss or damage caused by materials being processed

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

Breakdown

1. 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
2. fracturing of any part of the Covered Equipment by frost when such fracture renders the Covered Equipment inoperative
3. the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary

Collapse

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

Computer Equipment

1. electronic computer or other data processing and / or storage equipment
2. software and programs licensed to You and installed on 1. above

Covered Equipment

Equipment at the Premises owned by You or for which You are responsible

1. built to operate under vacuum or pressure other than weight of contents or
2. oil and water storage tanks or
3. used for the generation transmission storage or conversion of energy

None of the following is Covered Equipment

- a. structure foundation masonry brickwork cabinet compartment or air supported structure or building
- b. insulating or refractory material
- c. 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)

- d. self propelled plant and equipment (other than fork lift trucks used by You at Your Premises) dragline excavation or construction equipment
- e. equipment manufactured by You for sale
- f. tools dies cutting edges crushing surfaces trailing cables non metallic linings driving belts or bands or any part requiring periodic renewal
- g. any electronic equipment (other than Computer Equipment) used for research diagnostic treatment experimental or other medical or scientific purposes
- h. any Manufacturing Production or Process Equipment
- i. any electricity generating equipment other than emergency back-up power equipment or wind turbines (less than 10kw) or photovoltaic equipment less than 50kw
- j. domestic laundry kitchen audio visual and home entertainment equipment when such equipment is used in private living quarters
- k. equipment owned by tenants of Yours

Derangement

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

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

Any substance other than ammonia that has been declared to be hazardous to health by a government agency

Media

all forms of electronic magnetic and optical tapes and discs for use in any Computer Equipment

Verified

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

Manufacturing Production or Process Equipment

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

Cover

We will indemnify You in respect of loss or damage caused by or resulting from an Accident to Covered Equipment owned by You or for which You are responsible in respect of Property Insured as defined in the Property Damage Section of this Policy and detailed in the Schedule

Extensions

The following extensions also apply to loss or damage caused by or resulting from an Accident to Covered Equipment These extensions of cover do not provide additional amounts of indemnity

Hazardous Substances

We will indemnify You in respect of the additional cost to repair or replace Covered Equipment because of contamination by a hazardous substance including any additional expenses incurred to clean up or dispose of such property

The maximum amount We will pay in respect of this Extension including any actual Loss of Rental Income sustained shall be £10,000 any one Accident

Computer Equipment Reinstatement of Data and Increased Costs of Working

1. We will indemnify You for loss or damage caused by or resulting from an Accident to Computer Equipment
Our liability shall not exceed £500,000 for any one Accident to Computer Equipment other than portable Computer Equipment where Our liability shall not exceed £5,000 any on Accident
2. In addition We shall indemnify You for costs incurred in reinstating data lost or damaged in consequence of an Accident to or Derangement of Computer Equipment
Provided that
 - a. liability is limited solely to the cost of reinstating data onto Media
 - b. Our liability shall not exceed £50,000 in respect of such costs
 - c. We will not indemnify You for Damage to software
3. In addition We will pay reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to Your computer operations Our total liability shall not exceed £50,000 any one Accident in respect of such additional costs

Business Interruption

Our liability for loss as described under the Loss of Rental Income Section of this Policy that is caused by an Accident to Covered Equipment shall not exceed £100,000

Public Authorities/Law or Ordinance

If an Accident to Covered Equipment damages a building that is covered under this Policy and the loss is increased by enforcement of any public authority ordinance or law in force at the time of the Accident that regulates the construction or repair of buildings or establishes zoning or land use requirements We shall indemnify You for the following additional costs to comply with such ordinance or law

1. Your actual expenditures for the cost to demolish and clear the site of undamaged parts
2. Your actual expenditures for increased costs to repair rebuild or construct the building If the building is repaired or rebuilt it must be intended for similar use or occupancy as the current building unless otherwise required by zoning or land use ordinance or law
3. loss as described under the Loss of Rental Income Section of the Policy caused by loss covered in (1) or (2) above

We will not indemnify You for

- a. any fine
- b. any liability to a third party
- c. any increase in loss due to a hazardous substance (other than as specifically insured under Hazardous Substances Extension) or
- d. increased construction costs until the building is actually repaired or replaced

This additional coverage is within and does not increase the Limit of Indemnity shown in the Schedule

Expediting Expenses

With respect to damaged Covered Property We shall indemnify You for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement

The maximum We shall pay in respect of this extension shall be £20,000 any one Accident

Hire of Substitute Item

If Covered Equipment is damaged as a result of an Accident We will also indemnify You against 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

The maximum We will pay in respect of this extension shall be £10,000 any one Accident

Loss of Contents

The insurance under this Section extends to include 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

1. escape of contents - leakage discharge or overflow from the oil storage tanks caused by or resulting from an Accident
2. contamination - contamination of the contents of the oil storage tanks caused by or resulting from an Accident including cleaning costs incurred as a result of such loss

This extension excludes

- a. Damage caused by fire howsoever the fire may have been caused
- b. Damage resulting from corrosion erosion or wasting
- c. contamination of the contents resulting from
 - i. the natural settling separation or accumulation of fluids or materials constituting the normal contents
 - ii. the deliberate use of fluids or materials in the oil storage for cleaning flushing or similar purposes
- d. loss sustained whilst oil storage tanks are in transit between Premises
- e. costs or expenses arising from pollution or contamination of property not covered by this Extension

The maximum We will pay in respect of any one Accident of series of Accidents arising out of one occurrence shall be £10,000

Special Conditions

Basis of Claims Settlement

As described in the Contents and Loss of Rental Income Sections of this Policy

Precautions

You shall exercise due diligence in

1. complying with any statute or order
2. ensuring that insured items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent loss or damage

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

Exceptions

We will not be liable for loss or damage caused by or resulting from

1. a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
2. any programming error programming limitation computer virus malicious code loss of data (other than as specifically provided for under Computer Equipment Reinstatement of Data and Increased Costs of Working Extension) loss of access loss of use of functionality or other condition within or involving data or media of any kind

We will not be liable for loss or damage caused by

1. depletion deterioration corrosion erosion wear and tear or other gradually developing conditions
2. any condition that can be corrected by resetting calibrating realigning tightening adjusting or cleaning or by the performance

But if insured damage by this Section from an Accident results We will be liable for that resulting damage

We will not be liable for loss or damage recoverable under the maintenance agreement or any Warranty or Guarantee or which would be recoverable but for breach of Your obligations under the agreement

Legal Liabilities Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Asbestos

crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those materials fibres or particles of Asbestos or any material containing Asbestos or Asbestos dust

Costs and Expenses

Costs and Expenses shall be deemed to mean

1. costs and expenses of claimants for which You are legally liable and which may be the subject of indemnity under this Section
2. other costs and expenses incurred with Our written consent in respect of any claim which may be the subject of indemnity under this Section
3. legal costs and expenses incurred with Our written consent for representation by You at
 - a. any proceedings brought in any court arising out of any alleged breach of a statutory duty resulting in Injury
 - b. any coroners inquest or inquiry in respect of any deathwhich may be the subject of indemnity under this Section

Compensation

Damages including interest

Event

Any accident or occurrence including continuous or repeated exposure to substantially the same general conditions which results during the Period of Insurance in Injury or Damage to Property All Events or series of Events consequent on one cause shall be regarded as one Event for the purposes of this Policy

Limit of Indemnity

The limit as specified in the Schedule including all costs and expenses

In respect of Products supplied the limit of Indemnity will apply to the total of all events happening in any one Period of Insurance

Offshore

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

Product Supplied

Any product or thing including packaging containers instructions and labels sold supplied erected repaired altered treated installed tested serviced or delivered by or through You in the course of the Business within the Territorial Limits

Territorial Limits

1. anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands other than Offshore
2. elsewhere in the world (other than the United States of America or Canada or Offshore) for temporary visits by non-manual employees in connection with the Business undertaken by You or any of Your directors or Employees normally resident in (1) above

3. elsewhere in the world in respect of any Product Supplied (other than those to Your knowledge) to the United States of America or Canada)

Employers Liability Sub-Section

Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of the Business

Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable under this Sub-Section in respect of any claim or series of claims against You as a result of or arising out of one Event shall not exceed the Limit of Indemnity

Right of Recovery

The indemnity provided under this Sub-Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Island the Channel Islands or the Isle of Man You must repay to Us all sums paid by Us that We would not have been liable to pay but for the provisions of such law

Extensions to this Sub-Section

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Unsatisfied Court Judgments

This Sub-Section extends to include the following

In the event of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of the Business which results in a judgment for Compensation being obtained by the Employee or the personal representatives of the Employee and which remains unsatisfied in whole or part six months after the date of such judgment We will at Your request pay to the Employee or the personal representatives of the Employee the amount of any such Compensation and any costs awarded to the Employee or the personal representatives of the Employee to the extent that they remain unsatisfied provided that

1. the judgment for Compensation is obtained
 - a. in a court of law within Great Britain Northern Island the Channel Islands or the Isle of Man
 - b. against a company partnership or individual other than You conducting a business at or from premises within the territories described in (a) above
2. there is no appeal outstanding
3. if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee must assign the judgment to Us

Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the General Exceptions

Vehicles

We will not provide indemnity in respect of any legal liability for which compulsory motor insurance or security is required in accordance with any road traffic legislation within the European Union

Property Owners Liability Sub-Section

Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of

1. accidental Injury to any person
2. accidental loss of or damage to Property
3. accidental nuisance or trespass obstruction loss of amenities or interference with any right of way light air or water

and occurring during the Period of Insurance within the Territorial Limits in connection with the Business

Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable under this Sub-Section in respect of any claim or series of claims against You as a result of or arising out of one Event shall not exceed the Limit of Indemnity

Extensions to this Sub-Section

The following Sub-Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Contingent Motor Liability

Notwithstanding Exception (4) of this Sub-Section We will indemnify You in respect of legal liability arising out of the use in the course of the Business of any motor vehicle not belonging to or provided by You anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that this indemnity shall not apply

1. in respect of Damage to the vehicle or to any property conveyed therein
2. whilst the vehicle is being driven by You or any person with Your general consent who to Your knowledge or any one on Your behalf does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
3. in respect of which You are entitled to indemnity under any other insurance
4. in respect of liability arising from circumstances in which it is compulsory for You to insure or provide security in respect of such vehicles as a requirement of relevant road traffic legislation

Data Protection Act 1998

We will indemnify You and at Your request any of Your directors or partners or Employees against all sums which You or any of Your directors or partners or Employees become(s) legally liable to pay as Compensation together with Costs and Expenses under Section 13 of the Data Protection Act 1998 caused in connection with the Business during the Period of Insurance provided that You are

1. a registered user in accordance with the terms of the Act
2. not in business as a computer bureau

The total amount payable including all Costs and Expenses under this Extension in the aggregate any one Period of Insurance is limited to £250,000

The indemnity provided by this Extension shall not apply to

- a. legal liability caused by any deliberate act or omission by You the result of which could reasonably have been expected by You having regard to the nature and circumstances of such act or omission
- b. legal liability caused by any act of fraud or dishonesty
- c. the Costs and Expenses of rectifying rewriting or erasing data
- d. legal liability arising from the recording processing or provision of data for reward or to determine the financial status of any person
- e. the payment of fines or penalties

- f. claims which arise out of circumstances notified to previous insurers or known to You at inception of this Policy
- g. legal liability where indemnity is provided by any other insurance

Defective Premises Act

We will indemnify You in respect of legal liability in respect of accidental Injury or accidental loss of or damage to Property incurred by virtue of Section 3 of the Defective Premises Act 1972 or of Section 5 of the Defective Premises (Northern Ireland) Order 1975 provided that

- 1. such liability is not otherwise insured
- 2. We will not be liable in respect of
 - a. damage to that part of such premises on which You or anyone on Your behalf has worked if such damage directly results from such work
 - b. the cost of remedying any defect or alleged defect in the premises disposed of by you

Employees and Visitors Personal Belongings

Notwithstanding Exception (2) of this Sub-Section We will indemnify You in respect of legal liability for accidental damage to the vehicles and personal belongings of Your directors partners Employees and visitors which are in Your custody or control

We will not provide indemnity where this Property is

- 1. loaned leased hired or rented to You
- 2. stored for a fee or other consideration
- 3. in Your custody or control for the purposes of being worked upon

Overseas Personal Liability

We will indemnify You and if You so request any of Your directors partners or Employees or spouse or civil partner of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the United States of America or Canada in connection with the Business

The indemnity will not apply to legal liability

- 1. arising out of the ownership or occupation of land or buildings
- 2. in respect of which any person referred to above is entitled to indemnity under any other insurance

Damage to Leased or Rented Premises

Notwithstanding Exception (2) of this Sub-Section We will indemnify You in respect of legal liability for loss of or damage to premises (or fixtures or fittings thereof) hired or rented to You provided that this extension shall not apply to liability in respect of

- 1. legal liability arising under agreement unless legal liability would have attached to You in the absence of such agreement
- 2. the first £500 in respect of any claim caused otherwise than by fire or explosion

Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the General Exceptions

We will not indemnify You against legal liability in respect of

- 1. Injury to any Employee
- 2. loss of or damage to Property belonging to You held in trust by You or in Your custody or control or which is leased let rented hired or lent to You
- 3. loss or damage to any Property
 - a. comprising or to be incorporated in the contract works in respect of any contract undertaken by You
 - b. which requires to be insured under the terms of Clause 21.2.1 of Standard Form of Building Contract issued by the Joint Contracts Tribunal or a clause of similar intent under other contract conditions

4. the costs of remedying any defect or alleged defect in land or premises sold or disposed of by You or for any reduction in value thereof
5. loss of or damage to any Product Supplied or for the costs of recall removal repair alteration replacement or reinstatement of such Product Supplied caused by any defect therein or the unsuitability thereof for its intended purpose
6. the ownership possession or use by You or on Your behalf of any mechanically propelled motor vehicles or mobile plant
 - a. which is licenced for road use
 - b. for which compulsory motor insurance or security is required
 - c. which is more specifically insuredProvided always that this exception will not apply in respect of
 - i. liability arising during the act of loading or unloading any mechanically propelled motor vehicle or mobile plant or the bringing to or the taking away of a load from such vehicle
 - ii. the authorised movement on Your Premises of any mechanically propelled motor vehicle or mobile plant unless more specifically insured or unless compulsory motor insurance or security is required
7. the ownership possession or use by You or on Your behalf of any craft designed to travel through air or space hovercraft or waterborne vessels other than hand propelled watercraft
8. any advice instruction consultancy inspection certification testing treatment design formula or specification performed or provided by You or on Your behalf for a fee under a separate contract or in circumstances where a fee would normally be charged
9. professional services rendered
10. the Excess shown in the Schedule in respect of each and every claim for damage to Property
11. any liquidated damages fine or penalty
12. punitive exemplary aggravated or restitutionary damages or any additional damages resulting from the multiplication of compensatory damages
13. any Product Supplied which is in Your custody or control
14. any Product Supplied which to Your knowledge is for use in or on any aircraft missile or for aviation or aerospace purposes or for the safety or navigation of marine craft of any sort

Exceptions applicable to Legal Liabilities Section

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

Asbestos

We will not provide indemnity in respect of

1. exposure to
2. inhalation of
3. fears of the consequences of exposure to or inhalation of
4. the costs incurred by anyone in repairing removing replacing recalling rectifying reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of

Asbestos Asbestos Dust or Asbestos Containing Materials

Except in respect of the Employers Liability Sub-Section to the extent that it is necessary to comply with the minimum requirements of the law within Great Britain Northern Ireland the Isle of Man or the Channel Islands relating to compulsory insurance of liability to Employees

Pollution or Contamination (applicable to Property Owners Liability Sub-Section)

We will not indemnify You in respect of Pollution or Contamination

1. occurring in the United States of America or Canada or dependency or trust territory
2. occurring elsewhere unless caused by a sudden identifiable unintentional and unexpected incident which takes place in its entirety at specific moment in time and place during the Period of Insurance

All Pollution or Contamination which arises out of one event shall be deemed to have occurred at the time such event takes place

Our liability for all Compensation together with Costs and Expenses payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance will not exceed in the aggregate the Limit of Indemnity shown in the Schedule in respect of any Sub-Section of this Section

For the purpose of this exclusion and limitation 'Pollution or Contamination' shall be deemed to mean

- a. all pollution or contamination of buildings or other structures or of water or land or the atmosphere
- and
- b. all loss or damage to Property or Injury directly or indirectly caused by such pollution or contamination

Liability under Contract or Agreement

We shall not indemnify You against liability which is assumed by You by agreement unless such liability would have attached in the absence of such agreement

Vehicles

We will not provide indemnity in respect of any legal liability for which compulsory motor insurance or security is required in accordance with any road traffic legislation within the European Union

Essential Business Legal Expenses Section

This Section is only operative if specified in the Schedule.

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section and should also be read in conjunction with the General Definitions at the start of the Policy.

Appointed Advisor

The solicitor accountant or other advisor appointed by Us to act on behalf of the Person-Insured under the terms of the Section.

Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the Appointed Advisor and Us to pay their professional fees on the basis of 'no win no fee'.

Conditional Fee Agreement

A legally enforceable agreement between the Person-Insured and the Appointed Advisor for paying their professional fees on the basis of 'no win no fee'.

Employee

A worker who has or alleges they have entered into a contract of service with You provided they have been declared to Us and not as stated in the General Definitions of this Policy.

Legal Costs and Expenses

1. Reasonable legal costs and disbursements reasonably and proportionately incurred by the Appointed Advisor on the Standard Basis and agreed in advance by Us. The term 'standard basis' can be found within the Courts' Civil Procedure Rules Part 44.
2. In civil claims other side's costs, fees and disbursements where the Person-Insured has been ordered to pay them or pays them with Our agreement.
3. Reasonable accountancy fees reasonably incurred under Insured Event 4 by the Appointed Advisor and agreed by Us in advance.
4. Your employee's basic wages or salary under Insured Event 9 in the course of their employment with You while attending court or tribunal at the request of the Appointed Advisor or whilst on jury service where You do not pay for time lost and lost wages or salary cannot be claimed back from the court or tribunal.
5. The professional fees and expenses of an Appointed Advisor selected by Us to reduce the actual or anticipated adverse or negative publicity or media attention directed towards You under Insured Event 11.

Person- Insured

1. You or any of Your partners directors or Employees aged not less than 16 years nor more than 75 years.
2. The estates heirs legal representatives or assigns of any persons mentioned in 1. in the event of such person dying.
3. A person declared to Us who is contracted to perform work for You who is in all other respects insured by You on the same basis as Your other Employees and who performs work under Your supervision.

Reasonable Prospects of Success

1. Other than as set out in 2. and 3. below, a greater than 50% chance of the Person-Insured successfully pursuing or defending the claim and if the Person-Insured is seeking damages or compensation a greater than 50% chance of enforcing any judgment that might be obtained.
2. In criminal prosecution claims where the Person-Insured
 - a. pleads guilty a greater than 50% chance of successfully reducing any sentence or fine or
 - b. pleads not guilty a greater than 50% chance of that plea being accepted by the court.

3. In all claims involving an appeal a greater than 50% chance of the Person-Insured being successful.

Small Claims Court

A court in England and Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999. A court in Scotland that uses the small claims procedure as set out by the Act of Sederunt (Small Claims) Rules 2002. A court in Northern Ireland where the sum in dispute is less than £3,000 or the equivalent jurisdiction in the United Kingdom where this Section of the Policy applies.

Territorial Limit

For Insured Events 6, 7 and 12 the United Kingdom Channel Islands Isle of Man Norway Switzerland and countries in the European Union. For all other Insured Events the United Kingdom Channel Islands and the Isle of Man.

Cover

For those Insured Events shown in the Schedule We will pay the Person-Insured's Legal Costs and Expenses (and Compensation Awards under Insured Event 2) up the limit of indemnity and aggregate limit specified in Your Policy Schedule for all claims related by time or originating cause including the cost of appeals subject to all of the following requirements being met.

1. You have paid the insurance premium.
2. The Person-Insured keeps to the terms of the Policy and cooperates fully with Us.
3. The Insured Event arises in connection with the Business shown in the Schedule and occurs within the Territorial Limit.
4. The claim
 - a. always has Reasonable Prospects of Success and
 - b. is reported to Us
 - i. during the Period of Insurance and
 - ii. immediately after the Person-Insured first becomes aware of circumstances which could give rise to a claim under this Section.
5. Unless there is a conflict of interest the Person-Insured always agrees to use the Appointed Advisor chosen by Us in any claim
 - a. to be heard by the Small Claims Court or an Employment Tribunal and/or
 - b. before proceedings have been or need to be issued.
6. Any dispute will be dealt with by a court tribunal Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body.
7. A claim is considered to be reported to Us when We have received the Person-Insured's fully completed claim form.

Insured Events Covered

1- Employment

A dispute between You and Your Employee ex-Employee or a prospective employee arising from a breach or an alleged breach of their

1. contract of service with You and/or
2. related legal rights.

A claim can be made under this Section of the Policy provided that all internal procedures as set out in the

- a. ACAS Code of Practice for Disciplinary and Grievance Procedures or
- b. Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland

have been or ought to have been concluded.

What is not insured under Insured Event 1

Any claim relating to

1. the pursuit of an action by You other than an appeal;

2. redundancy alleged redundancy or unfair selection for redundancy occurring during the first 180 days of this Section of the Policy except where You have had equivalent cover in force up until the start of this Policy;
3. Legal Costs and Expenses for preparation and representation at an internal disciplinary hearing grievance or appeal.

2 - Employment Compensation Awards

Following a claim We have accepted under Insured Event 1 We will pay any

1. basic and compensatory award;
2. Employment Tribunal fees under Schedule 3 of the Employment Tribunals and the Employment Appeal Tribunal Fees Order 2013 awarded against You by a tribunal or
3. an amount agreed by Us in settlement of a dispute;

Provided that

- a. Reasonable Prospects of Success exist for a wholly successful defence throughout and
- b. compensation is agreed through mediation or conciliation or under a settlement approved by Us or awarded by a tribunal judgment after full argument unless given by default

What is not insured under Insured Event 2

Compensation Awards and settlements relating to

1. trade union membership or non-membership industrial or labour arbitration collective bargaining agreements trade union recognition or matters concerning a European Works Council;
2. money due to an Employee under a contract or a statutory provision relating thereto;
3. civil claims or statutory rights relating to trustees of occupational pension schemes.

3 – Employment Restrictive Covenants

1. A dispute with your Employee or ex-Employee which arises from their breach of a restrictive covenant where You are seeking financial remedy or damages

Provided that the restrictive covenant

- a. is designed to protect Your legitimate Business interests and
 - b. is evidenced in writing and signed by Your Employee or ex-Employee
 - c. extends no further than is reasonably necessary to protect the Business interests and
 - d. does not contain restrictions in excess of 12 months.
2. A dispute with another party that alleges that You have breached their legal rights protected by a restrictive covenant.

4 -Tax Protection

1. A formally notified aspect or full enquiry into Your tax affairs or into the personal tax affairs of Your directors and/or partners.
2. A dispute about Your compliance with regulations relating to
 - a. Value Added Tax or
 - b. Pay As You Earn or
 - c. Social Security or
 - d. National Insurance Contributions or
 - e. the Construction Industry Scheme or
 - f. IR35
 following a compliance check by HM Revenue and Customs.
3. An enquiry into Your tax affairs or into the personal tax affairs of Your directors and/or partners arising from an alleged discovery by HM Revenue and Customs

Provided that

 - a. all returns are completed and have been submitted within the statutory timescales permitted;
 - b. You keep proper records in accordance with statutory requirements;

- c. in respect of any appealable matter You have requested an Internal Review from HM Revenue and Customs where available.

What is not insured under Insured Event 4

Any claim relating to

1. tax returns which result in HM Revenue and Customs imposing a penalty or claiming interest or which contain negligent misstatements.
2. an investigation by the Specialist Investigation Branch of HM Revenue and Customs.
3. where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the Person-Insured's financial arrangements.
4. any enquiry that concerns assets monies or wealth outside of Great Britain and Northern Ireland.
5. Your failure to register for VAT.

5 - Property

A dispute relating to Property which You own or is Your responsibility

1. following an event which causes physical damage to Your Property.
2. following a public or private nuisance or trespass.
3. which You wish to recover or repossess from an Employee or ex-Employee.

What is not insured under Insured Event 5

Any claim relating to

1. a contract between You and a third party except for a claim under 5. 3.
2. goods in transit or goods lent or hired out.
3. compulsory purchase demolition restrictions controls or permissions placed on land or property by any government local or public authority.
4. a dispute with any party other than the party who caused the damage nuisance or trespass.

6 – Legal Defence

1. A criminal investigation and/or enquiry by
 - a. the police
 - b. a health and safety authority or
 - c. other body with the power to prosecutewhere it is suspected that an offence may have been committed that could lead to the Person-Insured being prosecuted.
2. An offence or alleged offence which leads to the Person-Insured being prosecuted in a court of criminal jurisdiction.
3. A motor prosecution brought against Your directors and/or partners which does not relate to the Business.

What is not insured under Insured Event 6

Any claim relating to a parking offence.

7 – Compliance and Regulation

1. Receipt of a Statutory Notice served against You.
2. Notice of a formal investigation or disciplinary hearing by a professional or regulatory body.
3. A civil action alleging wrongful arrest arising from an allegation of theft.
4. A claim against You for compensation under Section 13 of the Data Protection Act 1998 including compensation awarded against You provided that You are registered with the Information Commissioner.

What is not insured under Insured Event 7

Any claim relating to

1. the pursuit of an action by You other than an appeal.

2. a routine inspection by a regulatory authority.
3. a Health and Safety Executive Fee for Intervention.

8 – Statutory Licence Appeals

An appeal against a decision by the relevant authority to alter suspend revoke or refuse to renew Your statutory licence or compulsory registration.

9 – Loss of Earning

The Person-Insured's absence from work to attend court tribunal arbitration disciplinary hearing or regulatory proceedings at the request of the Appointed Advisor or whilst on jury service which results in loss of earnings.

What is not insured under Insured Event 9

Any sum which can be recovered from the court or tribunal.

10 – Employees' Extra Protection

At Your request

1. where civil proceedings are issued against Your Employee
 - a. for unlawful discrimination or
 - b. in their capacity as a trustee of a pension fund set up for the benefit of Your Employees.
2. where Your Employee or a member of their family suffers physical bodily injury or death as a result of a sudden event.
3. a claim arising from personal identity theft targeted at Your directors and/or partners.

What is not insured under Insured Event 10.1 and 10.2

Any claim relating to

1. defending You;
2. a condition or illness or disease which develops gradually over time.

11 – Crisis Communication

Following an event which causes Your Business significant adverse publicity or reputational damage which is likely to have a widespread financial impact on Your Business We will

1. liaise with You and Your solicitor (whether the solicitor is an Appointed Advisor under this Section of this Policy or acts on your behalf under any other policy) to draft a media statement or press release and/or
 2. arrange support and represent a Person-Insured at a press conference and/or
 3. prepare communication for Your customers and/or a telephone or website script
- provided that You have sought and followed advice from Our Crisis Communication helpline.

What is not insured under Insured Event 11

Any claim relating to

1. Legal costs and expenses in excess of £10,000;
2. Matters that should be dealt with through Your normal complaints procedures.

Optional Cover – included when detailed in the Schedule

12 - Contract and Debt Recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf relating to the purchase hire hire purchase lease servicing maintenance testing sale or provision of goods or services provided that if You are claiming for an undisputed debt You have exhausted Your normal credit control procedures.

What is not insured under Insured Event 12

Any claim relating to

1. an amount which is less than £200;

2. the letting leasing or licensing of land or buildings where You act as the landlord;
3. the sale or purchase of land or buildings;
4. loans mortgages endowments pensions or any other financial product;
5. computer hardware software internet services or systems which;
 - a. have been supplied by You or
 - b. have been tailored to Your requirements;
6. a breach or alleged breach of professional duty by a Person-Insured;
7. the settlement payable under an insurance policy;
8. a dispute relating to an Employee or ex-Employee;
9. adjudication or arbitration.

Exceptions Under This Section

You are not insured for any claim arising from or relating to

1. Legal Costs and Expenses or Compensation Awards incurred without Our consent;
2. any actual or alleged act omission or dispute happening before or existing at the start of this Section of the Policy and which the Person-Insured knew or ought reasonably to have known could lead to a claim ;
3. an allegation against the Person-Insured involving
 - a. assault violence indecent or obscene materials dishonesty malicious falsehood or defamation (except in relation to Insured Event 11)
 - b. the manufacture dealing in or use of alcohol illegal drugs illegal immigration
 - c. offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences);
4. defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Insured Event 1) or loss or damage to Property owned by the Person-Insured;
5. patents copyright passing-off trade or service marks registered designs and confidential information (except in relation to Insured Event 3);
6. a dispute with any subsidiary parent associated or sister company or between shareholders or partners;
7. franchise or agency agreements;
8. a judicial review;
9. a dispute with Us or the party who arranged this cover not dealt with under Arbitration Condition below;
10. the payment of fines penalties or compensation awarded against the Person-Insured (except as covered under Insured Event 2 or 7.4) or costs awarded against the Person-Insured by a court of criminal jurisdiction.

Conditions Which Apply to this Section

Failure to keep to any of these conditions without good reason may lead Us to cancel this Section, refuse a claim or withdraw from an ongoing claim. We also reserves the right to recover Legal Costs and Expenses from the Person-Insured should this occur.

The Person-Insured's responsibilities

A Person-Insured must

1. tell Us immediately of anything that may make it more costly or difficult for the Appointed Advisor to resolve the claim in Your favour;
2. co-operate fully with Us give the Appointed Advisor any instructions We require and keep them updated with progress of the claim and not hinder them;
3. take reasonable steps to claim back Legal Costs and Expenses and where recovered pay them back to Us;
4. keep Legal Costs and Expenses as low as possible;
5. allow Us at any time to take over and conduct in the Person-Insured's name any claim.

Freedom to Choose an Appointed Advisor

1. In certain circumstances as set out in 2. below the Person-Insured may choose an Appointed Advisor. In all other cases no such right exists and We shall choose the Appointed Advisor.
2. If
 - a. We agree to start proceedings or proceedings are issued against the Person-Insured or
 - b. there is a conflict of interestthe Person-Insured may choose a qualified Appointed Advisor except where the Person-Insured's claim is to be dealt with by the Employment Tribunal or Small Claims Court where We shall always choose the Appointed Advisor.
3. Where the Person-Insured wishes to exercise the right to choose the Person-Insured must write to Us with their preferred representative's contact details. Where the Person-Insured chooses to use their preferred representative We will not pay more than We agree to pay a solicitor from Our panel.
4. If the Person-Insured dismisses the Appointed Advisor without good reason or withdraws from the claim without Our written agreement or if the Appointed Advisor refuses with good reason to continue acting for the Person-Insured cover will end immediately.
5. In respect of a claim under Insured Event 12 You must enter into a Conditional Fee Agreement (unless the Appointed Advisor has entered into a Collective Conditional Fee Agreement) where legally permitted.

Consent

The Person-Insured must agree to Us having sight of the Appointed Advisors file relating to the Person-Insured's claim. The Person-Insured is considered to have provided consent to Us or Our appointed agent to have sight of their file for auditing and quality and cost control purposes.

Settlement

1. We can settle the claim by paying the reasonable value of the Person-Insured's claim.
2. The Person-Insured must not negotiate settle the claim or agree to pay Legal Costs and Expenses without Our written agreement.
3. If the Person-Insured refuses to settle the claim following advice to do so from the Appointed Advisor We reserve the right to refuse to pay further Legal Costs and Expenses.

Barristers Opinion

We may require the Person-Insured to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the Person-Insured then We will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by Us then We will pay for a final opinion which will be binding on the Person-Insured and Us. This does not affect Your right under Arbitration below.

Arbitration

If any dispute between the Person-Insured and Us arises from this Section of the Policy the Person-Insured can make a complaint to Us as described in the complaints Section of this Policy and We will try to resolve the matter. If We are unable to satisfy the Person-Insured's concerns and the matter can be dealt with by the Financial Ombudsman Service the Person-Insured can ask them to arbitrate over the complaint. If the dispute cannot be dealt with by the Financial Ombudsman Service it can be referred for independent arbitration by a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred. If We fail to agree on a suitable person to arbitrate the matter We will ask the President of the relevant law society to nominate. The arbitration shall be subject the Arbitration Acts and the arbitrator's decision shall be binding on all the parties.

Acts of Parliament, Statutory Instruments, Civil Procedure Rules and Jurisdiction

All legal instruments and rules referred to within this Section of the Policy shall include equivalent legislation in Scotland Northern Ireland the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation. This Section will be governed by English Law.

Loss of Rental Income Section

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Damage

Loss of or damage to the Property used by You at the Premises for the purpose of the Business

Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence thereof

Maximum Indemnity Period

The period stated in the Schedule unless amended in any Additional Contingency

Rent Receivable

The money paid or payable to You by tenants for rental of the Premises and for the services provided in connection with the Business at the Premises

Estimated Rent Receivable

The amount declared by You to Us as representing not less than the Rent Receivable which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months)

Annual Rent Receivable

The Rent Receivable during the twelve months immediately before the date of the Damage

Standard Rent Receivable

The Rent Receivable during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or 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 figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage

Additional Increased Cost of Working

The additional expenditure necessarily and reasonably incurred with Our consent

Cover

In respect of each item in the Schedule We will indemnify You in respect of loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of Damage occurring during the Period of Insurance caused by the operation of a Contingency under the Property Damage Section of the Policy unless otherwise stated in the Schedule

Provided that

1. payment shall have been made or liability admitted for the Damage under an insurance covering Your interest in the property
or
2. payment would have been made or liability admitted for the Damage but for the operation of a provision in such insurance excluding liability for losses below a specified amount

Limit of Liability

Our liability under this Section shall not exceed

1. 200% of the Estimated Rent Receivable shown in the Schedule
and
2. 100% of the Sum Insured shown in the Schedule for each other item or Extension stated in the Schedule

Unless otherwise agreed by Us

Basis of Settlement

The following items of settlement apply only if the paragraph title appears in the Schedule

Rent Receivable or Estimated Rent Receivable

The insurance under this item is limited to (1) loss of Rent Receivable and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of the loss of Rent Receivable
the amount by which the Rent Receivable during the Indemnity Period shall fall short of the Standard Rent Receivable in consequence of the Damage
2. in respect of increase of cost of working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Rent Receivable which but for the 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 thereby avoided

less any sum saved during the Indemnity Period in respect of such of the expenses and charges payable out of Rent Receivable as may cease or be reduced in consequence of the Damage

If the sum insured by the item on Rent Receivable be less than the Annual Rent Receivable (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

Additional Increased Cost of Working

If Property used by You at the Premises or elsewhere as specified sustains Damage for which liability has been admitted under the Property Damage Section causing an interruption of the Business We will indemnify You for the Additional Increased Cost of Working other than any amount of Increased Cost of Working payable under Loss of Rent Receivable above

Prevention of Access

We will indemnify You in respect of Damage to Property in the vicinity of the Premises as a result of Damage caused by any of the Contingencies insured under the Property Damage Section which prevents or hinders use of or access to the Premises whether the Premises have been damaged or not

The maximum We will pay is the Sum Insured as stated in the Schedule

Loss of Attraction

We will indemnify You in respect of Damage as a result of any of the Contingencies insured under the Property Damage Section to buildings in the vicinity of the Premises that constitute an attraction to Your Business which causes a loss of attraction to the Business directly due to a reduction in customers visiting the area

The maximum We will pay is £50,000 or the Sum Insured as stated in the Schedule whichever is the lesser

Loss of Attraction – Delay in Lease Negotiation

We will indemnify You in respect of Damage caused by any of the Contingencies insured under the Property Damage Section to Buildings or other property at any location in the immediate vicinity of the Premises as a result of which an agreement in course of negotiation to lease the Premises is avoided or delayed and the Rent Receivable or Estimated Rent Receivable due to You are reduced

The maximum We will pay is £50,000 or the Sum Insured as stated in the Schedule

Section Extensions

Auditors and Professional Accountants and Legal Fees

Included within the Rent Receivable or Estimated Rent Receivable item is an allowance for auditors professional accountants and solicitors reasonable charges for

1. producing information We required for investigating any claim and
2. confirming the information is in accordance with Your business books
3. determining Your contractual rights under any rent cessor clause or insurance break clause contained in the lease

The maximum We will pay for any claim including auditors and professional accountants and solicitors charges is the Sum Insured

Buildings Awaiting Sale

If at the time of Damage You have contracted to sell Your interest in the Buildings and the sale is cancelled or delayed solely due to the Damage We will pay at Your option either

1. The loss of Rent Receivable from the date of Damage until the Buildings would have been sold or the expiry of the Indemnity Period if earlier or
2. The loss in respect of interest from the date the Buildings would have been sold if the Damage had not occurred to the actual date of sale or the expiry of the Indemnity Period if earlier The loss in respect of interest being
 - a. The actual interest incurred on capital borrowed (solely to offset in whole or in part the loss of use of the sale proceeds) for the purpose of financing the Business
 - b. The investment interest lost to You on any balance of the sale proceeds (after deduction of any capital borrowed as provided for under paragraph a) above)

Less any amount of Rent Receivable

We will also pay with Our written consent Additional expenditure being the expenditure necessarily and reasonably incurred during the Indemnity Period following Damage solely to avoid or minimise the loss payable under a) and b) above

Capital Additions Rent Receivable

We will pay for loss of Rent Receivable for any newly acquired or newly erected Buildings or alterations additions or extensions to Buildings covered under the Property Damage Section that is not otherwise insured

Provided that

- a. the most We will pay at one situation is 10% of the Sum Insured under this Section up to a maximum of £100,000 during any one Period of Insurance

- b. You must tell Us as soon as possible of any extension of cover as detailed above and take out insurance cover from the date Our liability commenced

Contracting Purchaser's Interest

Between You contracting to sell Your interest in any of the Premises and the completion of the purchase by a third party if Damage occurs which is not otherwise insured by the third party on completion the third party will be entitled to benefit under this Section without prejudice to the rights and liabilities of You or Us

Cost of reletting

We will pay costs that You necessarily and reasonably incur in reletting the Premises (including legal fees) solely in consequence of Damage The maximum We will pay is the Sum Insured in respect of the Buildings affected by the Damage

Failure of Tenants Insurances

Buildings owned by You in Great Britain Northern Ireland the Channel Islands or the Isle of Man for which (by the terms of an agreement with You) the tenant lessee or other occupier of the Building has an obligation to insure but has failed to maintain in force such insurance

The maximum We will pay at any one Premises is £100,000 in respect of loss of Rent Receivable

You must advise Us in writing immediately You become aware that such insurance is not in force and pay the appropriate premium due for the period such insurance is not effected

You must obtain written confirmation from the tenant lessee or occupier and their Insurers at the inception of any such agreement that insurance is in force providing at least the extent of cover provided by this Policy and also carry out an annual check that such insurance is in force for all such properties

Loss of Investment Income on Late Payment

Following Damage where We are making a payment for Rent Receivable and this is made later than You would normally expect to receive payment from the tenants We will pay a further sum representing the interest which You would normally have earned by placing the money in Your normal deposit account on an earlier date

Inadvertent Failure to Insure

Buildings owned by You in Great Britain Northern Ireland the Channel Islands or the Isle of Man for which You have an obligation to insure (whether owned or leased to You) but which have inadvertently been left uninsured

The maximum We will pay at any one Premises is £100,000 in respect of loss of Rent Receivable

You must advise Us in writing immediately You become aware of a property inadvertently left uninsured and pay the appropriate premium due from the date the insurance becomes Your responsibility

You must carry out at not less than twelve months intervals a check of all properties owned or leased by You and for which You are responsible to ensure that effective insurance is in force on each of them

We will not indemnify You in respect of

1. any building more specifically insured
2. any appreciation in value

Subrogation Waiver

In the event of a claim arising under this Section We agree to waive any rights remedies or relief to which We might become entitled by subrogation against

1. any Company standing in the relationship of Parent to Subsidiary (Subsidiary to Parent) to You as defined in the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage
2. any Company which is a Subsidiary of a Parent Company of which You are a subsidiary in each case within the meaning of the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage
3. any tenant or lessee in respect of loss of Rent Receivable unless the loss of Rent Receivable is caused by a criminal or malicious act of the tenant or lessee

Special Conditions

Alternative Premises

The Rent Receivable during the Indemnity Period will include Rent Receivable derived elsewhere than from the Premises if the Business is conducted elsewhere than at the Premises

Automatic Reinstatement of Loss

Unless there is written notice by Us to the contrary in the event of Damage under this Section We shall automatically reinstate the Sum Insured provided that You undertake to pay the appropriate additional premium

Cessation of Trading

This Section shall be avoided if the Business is wound up or carried on by a liquidator or receiver or permanently discontinued at any time after the commencement of the Period of Insurance unless We give Our written consent

Payments on Account

Claims payments on account may be made to You during the Indemnity Period if required

Renewal

You will supply prior to each renewal the Estimated Rent Receivable for the financial year most closely corresponding to the following Period of Insurance

Statutory Inspection of Plant

Any item of plant or machinery belonging to You or under Your control which requires to be examined to comply with any Statutory Regulations must be inspected in accordance with such Regulations Failure to comply with this will invalidate cover in respect of an explosion originating within and causing Damage to the item of Plant

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

Additional Contingencies

Public Utilities – Water Gas or Electricity

We will indemnify You in respect of interruption or interference with the Business as a result of accidental failure of Your public supply of electricity gas or water at the terminal ends of Your suppliers service feeders to the Premises

We will not indemnify You in respect of

1. accidental failure which lasts less than 4 hours
2. a deliberate act of the supply undertaking unless for the sole purpose of safeguarding life or protecting any part of the supply undertaking system
3. accidental failure caused by the exercise of any supply authority's power to withdraw or restrict supply or services
4. any industrial action
5. drought or other weather conditions unless equipment has been damaged
6. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man

The maximum We will pay under this Additional Contingency is £50,000 in respect of any one loss unless otherwise stated in the Schedule

Telecommunications

We will indemnify You in respect of interruption or interference with the Business as a result of accidental failure of the public supply of telecommunication services at the incoming line terminals or receivers at the Premises

We will not indemnify You in respect of accidental failure

1. lasting less than 24 consecutive hours
2. caused by any industrial action or other deliberate act of the supply undertaking unless for the sole purpose of safeguarding life or protecting any part of the supply undertaking system
3. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
4. caused by atmospheric or other weather conditions unless equipment has been damaged caused by those conditions
5. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
6. caused by failure of any satellite

The maximum We will pay under this Additional Contingency is £50,000 in respect of any one loss unless otherwise stated in the Schedule

Public Emergency

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of the actions or advice of a government or local authority due to an emergency likely to endanger life or property in the vicinity of the Premises which prevents or hinders the use of or access to the Premises excluding

1. any incident lasting less than 12 hours
2. any period other than the actual period when access to the Premises was prevented
3. a Notifiable Human Infectious or Contagious Disease as defined in the current legislation occurring at the Premises

The maximum We will pay under this extension is £100,000 in respect of the total of all losses occurring during the Period of Insurance unless otherwise stated in the Schedule

The provisions of any Automatic Reinstatement Condition do not apply in respect of this Additional Contingency

Disease Murder and Defective Sanitation

We will indemnify You in respect of interruption or interference with the Business at the Premises as a result of an occurrence of

1. Acute Encephalitis Acute Poliomyelitis Anthrax Chickenpox Cholera Diphtheria Dysentery Legionellosis Legionnaires Disease Leprosy Leptospirosis Malaria Measles Meningococcal Infection Mumps Ophthalmia Neonatorum Paratyphoid Fever Plague Rabies Rubella Scarlet Fever Smallpox Tetanus Tuberculosis Typhoid Fever Viral Hepatitis Whooping Cough or Yellow Fever at the Premises
2. murder or suicide at the Premises
3. an accident which causes defects in the drains or other sanitary arrangements at the Premises
4. vermin or pests at the Premises

where use of the Premises is restricted on the advice or order of the competent authority

We will not indemnify You in respect of

- a. costs incurred in cleaning repair replacement recall or checking of property
- b. losses arising from premises other than those directly affected by the occurrence
- c. any other Loss of Rental Income Extension

The maximum We will pay under this extension is £25,000 (or the limit as detailed in the Schedule) in respect of the total of all losses occurring during the Period of Insurance

The provisions of the Automatic Reinstatement Condition do not apply in respect of this Additional Contingency

Legionella

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of any outbreak of legionellosis at the Premises causing restrictions on the use of the Premises on the order or advice of the competent authority

Maximum Indemnity Period – three months

The maximum We will pay under this extension is £25,000 (or the limit as detailed in the Schedule) in respect of the total of all losses occurring during the Period of Insurance

Condition applicable to Additional Contingency Legionella

If in relation to any claim arising directly or indirectly from an occurrence of Legionellosis or Legionnaires Disease You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

At the Premises You must ensure compliance at all times with the Health and Safety Commissions Approved Code of Practice "The Prevention and Control of Legionellosis (including Legionnaires Disease)" Ref ISBN-0-7176-1772-6 or any supplementary replacement or amending Code of Practice

Terrorism Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section and they should also be read in conjunction with the General Definitions at the start of the Policy

Act of Terrorism

Act 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 government de jure or de facto

Denial of Service Attack

Any actions or instruction 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 the network addresses the exploitation system or network weaknesses and generation of excess or non genuine traffic between or amongst networks

Excess

The amount or amounts shown in the Schedule which We shall deduct from each and every claim to each separate location

You will repay any such amount paid by the Underwriters

Hacking

Unauthorised access to any computer or other equipment component system or item which processes stores or retrieves data whether the property of You or not

Head/Heads of Cover

Any of the following types of direct insurance cover

1. Buildings and completed structures
2. Any other Property Insured hereunder as provided in the Schedule
3. Business interruption
4. Book Debts

Phishing

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

Private Individual

Any person other than

1. a company association or partnership
2. a trustee or body of trustees where insurance is arranged under the terms of a trust
3. a person who owns Residential Property for the purpose of their business as a sole trader
4. a person who owns Residential Property of which in excess of more than 20 per cent of the property is commercially occupied

Note

- a. where the Residential Property is occupied by a trustee or a sole trader as a private residence and where the property is not a block of flats each will be deemed to be a Private individual in respect of that same property and

- b. where two or more persons have arranged insurance on Residential Property in their several names and/or the name of the policyholder includes the name of a bank or a building society or other financial institution for the purpose of noting their interest in the property insured they will be deemed to be a Private Individual in respect of that property

Residential Property

1. Private dwelling houses and flats
2. Household goods and personal effects

Treasury

The Lords Commissioners of Her Majesty's Treasury from time to time or any successor relevant authority

Virus or Similar Mechanism

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

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

Cover

We will indemnify You in respect of all losses arising under any Head of Cover resulting from loss or destruction of or damage to Property Insured under this Policy caused by an Act of Terrorism occurring during the Period of Insurance at the Premises but only in England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Channel Islands or the Isle of Man

The maximum We will pay under this Section in any one Period if Insurance will not exceed the Limit of Liability or Sum Insured for each of the Heads of Cover specified in the relevant Section of this Policy where the Head of Cover is otherwise insured

Exceptions

The following exceptions apply to this Section

1. We will not indemnify You in respect of any losses arising under any Head of Cover directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from
 - a. damage to any computer or other equipment component system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information programs or software) and whether Your property or not where such Damage is caused by Virus or Similar Mechanism Hacking or Denial of Service Attack
 - b. any alteration, modification, distortion, erasure, corruption of data processed by any such computer or other equipment or component or system or item whether the property of the Assured/Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack
 - c. 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. We will not indemnify You in respect of losses arising under any Head of Cover as a result of loss or destruction of or damage to Residential Property insured in the name of a Private individual

Special Conditions

The following Special Conditions apply to the Section

1. The insurance provided by this Section is subject to all the definitions exceptions conditions clauses endorsements and conditions precedent of the Sections of this Policy where the Head of Cover is otherwise insured together with the Policy Definitions Exceptions Conditions Precedent and Policy Conditions except
 - a. any which provide for adjustments of premium
 - b. any aggregate limit on the amount borne by You as a result of the operation of an Excess
 - c. any provision for the automatic reinstatement of Sums Insured
 - d. any long term undertakingand providing that if there is conflict between this Section and the rest of the Policy this Section shall prevail
2. We will not indemnify You under this Section unless and until
 - a. the Treasury issues a certificate certifying that any loss was caused by an Act of Terrorism as defined in this Section
or in the event of the Treasury refusing to issue such a certificate
 - b. a tribunal formed by agreement between Us and Pool Reinsurance Company Limited decides that the cause of such loss was an Act of Terrorism as defined by this Section
3. We may cancel the cover provided by this Terrorism Section
 - a. by sending You 30 days written notice to Your last known address We will refund a proportionate part of any premium paid for the unexpired period
or
 - b. immediately if the premium has not been paid or if there has been a default under an installment or linked credit agreement We will not refund any installment paid
4. In any action or suit or proceedings where We allege that any loss is not covered by this Section the burden of proving that such loss is covered shall be upon You

Conditions Precedent

It is a Condition Precedent to Our liability under this Section that

1. You must declare to Us all Property and/or premises owned by You or for which You are responsible including all such Property and/or premises of subsidiary companies unless it is the practise of any subsidiary company to effect its own insurance
2. You must purchase Terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such Property and/or premises

Engineering Inspection Section

Inspection Service Contract

1. Definitions

The following words have been given the specific meaning set forth below and have the same meaning wherever they appear in the Contract whether singular or plural

1.1 Normal Working Hours

8:00 am to 6:00 pm Monday to Friday excluding public bank and local holidays

1.2 Competent Person

An Engineer Surveyor employed and authorised by Us to perform Inspection Service

1.3 Plant

The machinery appliances and equipment as detailed to Us

1.4 Inspection Service

Thorough Examination of Plant in accordance with the requirements of such statutory regulations as apply to the Plant or Inspection of Plant in compliance with good established engineering practice Unless otherwise agreed in writing this term shall not include approval or verification of the fitness for purpose of any design or design features of Plant performing or witnessing tests of a non-routine nature including but not limited to ultrasonic radiographic hydrostatic or other non-destructive examination or in the case of lifting and handling Plant any proof load stability anchorage or similar test

We shall

- a. Periodically perform Thorough Examination/Inspection of Plant within Normal Working Hours
- b. Provide a written report of the Thorough Examination/Inspection within a reasonable time

2 Provision of Inspection Service

2.1 We shall comply with Your safe systems of work provided such systems are notified to Us in advance of any visit

2.2 We may

1.2.1 refuse to carry out any Inspection Service if at Our sole discretion to do so would pose a health safety or welfare risk

1.2.2 appoint sub-contractors to carry out all or any part of the Inspection Service

1.2.3 make a charge in addition to the fee shown in the Schedule if

2.1.3.1 You request and We agree to perform Inspection Service outside Normal Working Hours

2.1.3.2 You require additional copies of reports

2.1.3.3 You fail to prepare or make the Plant available at the date and time agreed

2.1.3.4 You require additional services or

2.1.3.5 You require the Competent Person to undertake training specific to Your own health safety and welfare procedures

3 Client Responsibilities

3.1 You shall

3.1.1 be responsible for the care custody and control of the Plant at all times

3.1.2 allow Us access to Your site or site of operation and Plant at such reasonable times as shall be agreed

3.1.3 provide Us with

3.1.3.1 A safe working environment on the site on which the Plant is located

3.1.3.2 A safe physical means by which to gain access to perform the Inspection Service

3.1.4 have the Plant properly prepared dismantled and reassembled as necessary in order to enable Us to carry out the appropriate Inspection Service

3.1.5 Cooperate with and upon request provide Us with information and data relating to the Plant as required in order to perform the Inspection Service

4 Fees

- 4.1 We shall charge fees for the provision of the Inspection Service and such fees shall be subject to Value Added Tax at the appropriate rate
- 4.2 You shall pay the fee shown in the Schedule at the beginning of the Contract and at subsequent renewals of the Contract
- 4.3 If You add or delete Premises during the Contract term the fee will be adjusted

5 Term and Termination

- 5.1 The term of this Contract is as shown in the Schedule
- 5.2 Either party may terminate this Contract by giving 30 days written notice to the other party if the other commits any breach of the Contract

6 Confidentiality

- 6.1 Unless otherwise agreed all reports and similar material prepared by Us in connection with Inspection Service shall be released only to You or Your designated representative
- 6.2 We may use data gathered in connection with Inspection Service for statistical purposes

7 Limitation of Liability and Indemnification

- 7.1 Neither We nor any of Our employees shall be liable directly or indirectly for any loss damage or injury to property or persons resulting from any accident or defect in any Plant nor shall We be liable directly or indirectly for loss damage or injury of any kind arising from or connected in any way with any Inspection Service or documentation of any Inspection Service or from the omission of any Inspection Service or documentation of any Inspection Service whether or not such Inspection Service documentation or omission was at Your request
- 7.2 Neither We nor any of Our employees makes any warranty express or implied concerning the activities described in this Contract
- 7.3 Notwithstanding anything else in this Contract to the contrary to the fullest extent permitted by law
 - 7.3.1 We shall not be liable to You for any special incidental indirect consequential or exemplary damages including but not limited to loss of profits or revenue loss of use loss of opportunity loss of goodwill cost of substitute facilities goods or services cost of capital governmental and regulatory sanctions and claims of third parties for such damages
 - 7.3.2 The total cumulative liability of Us to You whether in tort or in contract for all claims losses damages and expenses resulting in any way from this Contract shall not be greater than the total amount received by Us from You as compensation during the Contract term specified in the Schedule
 - 7.3.3 Except in the case of death or personal injury caused by Our negligence or in other circumstances where liability may not be so limited under applicable law Our liability under or in connection with this Contract whether arising in contract tort negligence breach of statutory duty or otherwise shall not exceed the sum of £5,000,000 (five million pounds)
- 7.4 Upon completion of the Inspection Service or termination of this Contract the provisions relating to indemnity waivers limitations of remedies and limitations of liability including but not limited to those contained in this section shall remain in full force and effect

8 Force Majeure

- 8.1 We shall not be liable for any delay or the consequences of any delay if such delay is due to any cause beyond Our reasonable control and shall be entitled to a reasonable extension of time for performance of the Contract

9 General

All matters relating to the validity performance or interpretation of this Contract shall be governed by the laws of England and Wales We and You hereby submit to the exclusive jurisdiction of the Courts of England and Wales

- 9.1 No term of this Contract is intended either expressly or by implication or other inference to purport to confer a benefit or right of action upon any third party No such third party (whether or not in existence at the date of this Contract) is

named or described herein. The Contracts (Rights of Third Parties) Act 1999 is expressly excluded to the fullest extent permitted by law.

- 9.2 The provision of Inspection Service under this Contract does not relieve the Client of any statutory obligation to have the Plant inspected.
- 9.3 Inspection Service will only be subcontracted to suitably qualified subcontractors with the agreement of both Parties and We shall retain responsibility for the execution of such work.



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