

Property Owners

Policy document



Contents

Page(s)

Introduction	3
Policy Definitions	4 - 6
General Conditions	7 - 8
Claims Conditions	9
Section 1 – Buildings	10 - 15
Section 2 – Landlords Contents	16 - 17
Section 3 – Business Interruption	18 - 20
Section 4 – Property Owners Liability	21 - 23
Policy Exclusions	24 - 26
Policy Endorsements	27 - 31
Notice to the Insured	32

Introduction

This is **your** insurance policy. It is a contract of insurance between **you** and **us**, and is made up of this policy booklet, **your schedule** and any **endorsement** applying to **your** insurance policy. It is based on the information and statements **you** have provided to your broker or the information that was given on **your** behalf when **you** applied for this insurance. **You** should keep it in a safe place.

The insurance relates ONLY to those sections of the policy which are shown in the schedule as being included.

Each address included under this insurance is considered to be covered as if separately insured.

It is important that **you** read **your** policy booklet together with **your** schedule very carefully. Please read the whole document. It is arranged in different sections. It is important that:-

- **you** are clear which sections **you** have requested and want to be included;
- **you** understand what each section covers and does not cover;
- **you** understand **your** own duties under each section and under the insurance as a whole.

The written authority (which number is shown in the schedule) allows your broker to sign and issue this certificate on behalf of the **Underwriters**.

If any details are incorrect or if it does not provide the cover **you** need **you** should return the **schedule** to your broker immediately.

In return for payment of the premium shown in the **schedule**, **we** agree to insure **you**, subject to the terms and conditions contained in or endorsed on this policy, against loss or damage **you** sustain or legal liability **you** may incur for accidents happening during the period shown in the **schedule**.

Failure to pay **your** premium within the timescales advised to **you** by your broker may render **your** policy invalid from its inception.

Policy Definitions

Wherever the following words and phrases appear in the **Policy** they will have the same meanings shown below.

Annual Gross Rentals

The **Gross Rentals** during the twelve months immediately before the date of the **Damage**.

Building(s)

The building(s) situate at the address(es) specified in the **Schedule** which include;

- The main structure of the **Property Insured**
- Landlord's fixtures and fittings attached to the **Property Insured**
- Interior decorations
- Outbuildings, annexes, gangways, extensions, canopies, fixed signs, temporary buildings, conveniences, lamp posts and street furniture.
- Permanently fitted central heating/fuel tanks, septic tanks, cesspits, drains, sewers, piping, ducting, cables, wires, and associated control gear and accessories on the **Premises** and extending to the public mains, but only to the extent of the insured's responsibility.
- Drives, patios and terraces, walls, gates, paths, fences, yards, car parks, roads, pavements, forecourts and fixed fuel tanks

all belonging to the **Insured** or for which the **Insured** is legally responsible.

This definition of **building(s)** also includes:

- Tenants' improvements if the **Insured** is responsible and property comprising fixtures and fittings (but excluding moveable contents) formerly the property of tenants but relinquished to the **Insured** at the time of the surrender of the lease.

BUT EXCLUDING:

- Radio and television aerials, satellite dishes, their fittings and masts which are attached to the **Property Insured**
- Carpets

Business

Property Owner: The ownership by the **Insured** of the **Property Insured** including;

- a) Maintenance, occupation or use of the **Property Insured** by the **Insured**
- b) The provision and management of canteen, sports, social welfare organisations for the benefit of Employees and fire, security, first aid, medical and ambulance services

Computer Virus

A set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. **Computer virus** includes but is not limited to "Trojan horses", "worms" and "time or logic bombs".

Damage(d)

Accidental loss or destruction of or damage to the **Property Insured**

Electronic Data

Facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Employee(s)

- a) Any person under a contract of service or apprenticeship with the **Insured**
- b) Any person who is hired to or borrowed by the **Insured**
- c) Any person engaged in connection with a work experience or training scheme
- d) Any labour master or person supplied by him
- e) Any person engaged by labour-only sub-contractors
- f) Any self-employed person working on a labour only basis under the control or supervision of the **Insured**.

Excess

The first part of each and every loss which the **Insured** must bear after the application of any condition of average.

Glass

All fixed plain sheet or plain Glass in windows, doors, fanlights, skylights, partitions, furniture, display and show cases, counters or shelves or mirrored Glass fixed hand basins, lavatory bowls, bidets, shower trays and baths including lettering, embossing, beading, silvering or ornamental work at the **Premises** stated in the **Schedule**.

Gross Rentals

The money paid or payable to the **Insured** for tenancies and other charges for services rendered in the course of the **Business** at the **Premises**.

Indemnity Period

The period beginning with the occurrence of the **Damage** and ending not later than the number of months thereafter stated in the Schedule during which the results of the **Business** shall be affected in consequence of the **Damage**.

Injury

Bodily injury, death, disease, illness or nervous shock.

Insured(s) (or You, Your)

The firm, company or individual named in the **Schedule**.

Landlords Contents

Landlords Contents include:

- Radio and television aerials, satellite dishes, their fittings and masts which are attached to the property
- Contents of common parts, furniture, furnishings, potted plants, trees, shrubs, video, audio, building management systems and security equipment, and other similar property of the insured or for which the insured is responsible whilst contained within the **Buildings**
- Carpets, but not permanently fitted flooring

BUT EXCLUDING:

- Any part of the buildings
- Stock and materials in trade
- Any property insured under any other insurance
- Any contents or personal belongings of tenants or employees.

Period of Insurance

Any period for which the **Underwriters** may accept payment of a premium in respect of this **Policy**.

Policy

The entirety of the **Policy** of Insurance specified in the **Schedule** and/or contained in any and all endorsements or amendments forming part of the **Policy** (whether or not such endorsements or amendments are agreed prior to the **Policy** of Insurance coming into force or at any time thereafter). All references to the terms of this **Policy** shall be construed as references to the entire **Policy**, including all terms, conditions, exclusions, **Sums Insured**, excesses, deductibles, limits, **Schedules**, endorsements, amendments and any other written contractual provisions that form part of the **Policy**.

Premises

The Address(es) which is named in the **Schedule**.

Property Insured

The **Buildings**, Landlord's Fixtures and Fittings and Landlords Contents at the **Premises**, all as defined in these Definitions, if and to the extent they are included as **Property Insured** in the **Schedule**.

Proposal

The signed Proposal form, Statement of Fact or any additional information supplied to the **Underwriters** by or on behalf of the **Insured**.

Schedule(s)

The **Schedule** specifying the terms and extent of this **Policy**.

Standard Gross Rentals

The **Gross Rentals** during the period in the twelve months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

Under the Definitions **Annual Gross Rentals** and **Standard Gross Rentals** adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or special 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**.

Sum Insured/Limit of Indemnity

The sum or limit specified in the **Schedule** as applying to the relevant Section of this **Policy** or items insured.

Territorial Limits

Great Britain, Northern Ireland the Channel Islands or the Isle of Man.

Underwriters (or Us, We, Our(s))

Great Lakes Reinsurance (UK) PLC.

Unlawful Association

Any organisation which is engaged in terrorism and includes an organisation which at any relevant time is a prescribed organisation within the meaning of the Terrorism Act 2000 or any similar legislation.

General Conditions

Applicable to the whole of this policy:

It is a condition of this **Policy** that:

1. That the **Property Insured** is adequately protected and secure at all times.
2. All external doors to be fitted with five lever mortice deadlocks or similar security locks or fastenings and all opening windows to be fitted with window locks or double glazing.
3. All protections provided for the security of the property, including all alarm systems and locks, are maintained in good working order and are in full and effective operation.
4. All reasonable steps must be taken to prevent loss, **Damage** or accidents and keep the property in a good state of repair.
5. **You** must provide us with reasonable evidence of value or age (or both) for all items involved in a claim.
6. **You** must not dispose of any damaged items before we have had the opportunity to inspect them unless **you** have been advised by **us** to dispose of them.
7. **You** must immediately inform us if any structural changes are to be made at the **Property** unless this has already been disclosed to us on the proposal form, if the **Property** is to be demolished or if the property becomes subject to a compulsory purchase order or notice.
8. **You** must notify **us**, by way of a signed claim form, of all incidents that may give rise to a claim immediately or as soon as possible, but no later than **30 days** from the date of the incident, if the incident is as a direct result of loss, theft or any malicious act you must report the incident to the police within 24 hours of the incident and then obtain a crime reference number.
9. If any claim is fraudulent or intentionally exaggerated or if any false or misleading statement is given by you or your representative then your claim will be void and not paid.
10. If any premium that is due has not been paid at the time of any claim or incident giving rise to a claim **your** claim will be void and not paid.
11. **We** or our representatives will be entitled to enter the **Property** or any **Building** where any loss or **Damage** has occurred and deal with the claim, **we** will also be entitled to defend or settle any legal action and take proceedings to recover compensation from any third party in respect of anything that is covered by this **Policy**, we may do this in your name and for our benefit but at our expense.
12. **We** will not pay any claim if any loss, **Damage** or liability covered under this insurance is also covered beyond the amount which would have been covered under such other insurance had this insurance not been effected.
13. **You** must forward to us, by registered post and within 3 working days, any writ, summons or other legal document served on **you** in connection with a claim or possible claim, **you** must not answer any correspondence, admit, deny or negotiate any claim without our prior written consent.
14. This policy is subject to English Law and any disputes in connection with this policy will be subject to English courts, if there is any dispute as to which law applies, it will always be English Law.
15. **You** must comply with all regulations/statutory conditions regarding the letting of the property/ies including, but not limited to –
 1. the number of persons legally allowed to reside at the property/ies
 2. compliance with the Furniture and Furnishings (Fire Safety) Regulations 1988 (amended)
 3. having minimum legal number of smoke detectors/fire extinguishers/fire blankets installed and in full and effective operation at the property/ies.

16. **You** must ensure that all gas appliances fitted at the property/ies are serviced by a Gas Safe Register engineer (prior to April 2009 a Corgi Registered engineer) not more than one calendar year from the date they were last serviced. Thereafter you must have them serviced at least once every twelve months. **You** must keep in your possession the original dated receipts for all the servicing operations of each individual appliance (including any servicing prior to inception of this insurance) for a period of 24 months. **You** will have to produce them for our inspection if we ask for them.
17. Throughout the **Period of Insurance** you must have an electrical certificate which is not more than 5 years old issued by an NICIEC member for the property/ies which confirms the entire electrical system is in a good state of repair
18. **You** must immediately (and in any event within 10 days) inform **us** of any change in the type of tenant/s at the property/ies, from that last disclosed to us, or if the property/ies becomes unoccupied, or the property/ies are not re-let within 30 days for whatever reason, or the property/ies become illegally occupied, or **your** policy will be void. Where property/ies are/become unoccupied, the following conditions will apply:
 - It is warranted that the **Insured** or his representatives visit the **Premises** for internal and external inspection purposes at least once every 14 days, a record of all such inspections to be kept and any defects revealed by such inspections remedied immediately.
 - **Property** must be maintained in a good condition
 - All letter boxes and other similar openings to be sealed
 - All loose material to be kept clear of the **Property**
 - Cover is restricted to Fire, Lightning, Explosion, Earthquake and aircraft and other flying devices falling from them.
 - Minimum excess applicable £250.00
19. Cover in respect of escape of water or burst pipes shall only apply provided that the **Property** is fitted with central heating and that the heating is left on during the period 1st November to 1st April so as to maintain a temperature within the property of 58 degrees Fahrenheit or 15 degrees centigrade, or the water be turned off at the mains and the water system be drained.

Your Cancellation Rights

You will for a period of 14 days from the date **you** receive **your** insurance policy, have the right to cancel this policy and receive a full refund of any premium **you** have paid to **us**, although **we** reserve the right on refunding any premium paid to **us** if **you** have made a claim under this policy.

To exercise **your** right to cancel, contact your broker who arranged this cover for **you**. Please be aware that **your broker** may charge a fee for work completed on **your** behalf.

Cancellation Clause

1. **We** can cancel this insurance by giving **you** 14 days' notice in writing to your last known postal address or your broker. Any return premium due to **you** will depend on how long this insurance has been in force and whether **you** have made a claim. **We** reserve the right on refunding any premium paid to **us** if **you** have made a claim under this policy.
2. **You** can also cancel this insurance at any time by writing to your broker. Any return premium due to **you** will depend on how long this insurance has been in force and whether **you** have made a claim. **We** reserve the right on refunding any premium paid to **us** if **you** have made a claim under this policy.

Claims Conditions

Your duties

In the event of a claim under this insurance

- a) **You** must notify your broker as soon as possible giving full details of what has happened.
- b) **You** must provide your broker with written details of what has happened within 30 days and provide any other information we may require.
- c) **You** must forward to your broker within 3 days notice of the claim, if a claim for liability is made against
- d) **You**, any letter, claim, writ, summons or other legal document **you** receive.
- e) **You** must inform the Police as soon as possible following malicious acts, violent disorder, riots or civil commotion, theft, attempted theft or lost property.
- f) **You** must not admit liability or offer or agree to settle any claims without **our** written permission.
- g) **You** must take all reasonable care to limit any loss, damage or injury.
- h) **You** must provide **us** with reasonable evidence of value or age (or both) for all items involved in a claim.

If **you** fail to comply with any of the above duties this insurance may become invalid.

Contact details for all claims:

Davies Managed Systems Ltd (DMS)
2nd Floor
East Court
Riverside Park
Stoke on Trent
Staffordshire
ST4 4EY

Telephone: 0870 4201228

How We Deal With Your Claim

Defence of claims

We may:

- Take full responsibility for conducting, defending or settling any claim in **your** name.
- Take any action **we** consider necessary to enforce **your** rights or **our** rights **under this insurance**.

Other Insurance

We will not pay any claim if any loss, damage or liability covered under this insurance is also covered wholly or in part under any other insurance except in respect of any excess beyond the amount which have been covered under such other insurance had this insurance not been affected.

Fraudulent Claims

If **you**, or anyone acting on **your** behalf, make a claim knowing it to be false or fraudulent in amount or other respect, this insurance shall be invalid and all claims shall be forfeited.

Section 1 - Buildings

We cover loss or **Damage** directly caused to the buildings of the property by the following insured events:

Insured Events

1. Fire, lightning, explosion, aircraft, earthquake

2. Storm or flood

BUT EXCLUDING:

- Loss or **Damage** to fixed fuel tanks in the open, drives, patios, terraces, gates, hedges, fences or railings
- **Damage** attributable solely to a change in the water table level
- **Damage** caused by frost, subsidence, ground heave or landslip

3. Escape of water from any fixed appliance, pipe or tank

BUT EXCLUDING:

- Loss or **Damage** caused by faulty workmanship, wear or tear or any gradually operating cause.
- Loss or **Damage** caused by subsidence, heave or landslip

4. Escape of oil from any fixed appliance, pipe or tank

BUT EXCLUDING:

- **Damage** caused by faulty workmanship
- **Damage** caused by wear tear or any gradually operating cause

5. Theft or attempted theft, or Robbery or Attempted Robbery committed on the **Premises** but only if consequent upon:

- forcible and violent entry to or exit from the property

6. Riot, violent disorder, strike, labour disturbance, civil commotion or by any person acting of malicious intent.

7. Collision or impact with the property by aircraft, animals or vehicles

BUT EXCLUDING:

- if owned by you or the tenants

8. Falling trees or branches, lampposts or telegraph poles, excluding:

- Loss or **Damage** caused by trees being cut down or cut back at the **Property**
- Loss of or **Damage** to gates and fences

9. Breakage or collapse of satellite television receiving equipment or television and radio aerials

10. Subsidence, landslip or ground heave of the site on which the buildings stand

BUT EXCLUDING:

- **Damage** to terraces, patios, paths, drives, walls, gates, fences, hedges, lampposts, railings, permanently fitted central heating/fuel tanks, septic tanks or cesspits unless the main structure of the property is affected at the same time, and by the same peril.
- **Damage** caused by coastal or river erosion
- **Damage** caused whilst the **Property** is undergoing any structural repairs, alterations or extensions
- **Damage** caused by the normal bedding down, settlement or expansion or contraction of new structures, the settlement or newly made up ground or compaction of infill, demolition, defective design, faulty materials or inadequate construction of foundations, or faulty workmanship
- **Damage** to solid floor slabs unless the foundation of the external walls of the **Property** are damaged at the same time and by the same cause
- Loss or **Damage** if the **Property** has previously suffered **Damage** by subsidence, landslip or ground heave, unless you have disclosed this and it has been accepted in writing by us

Additional Cover

Following loss or **Damage** by any of the **Insured Events**, we will provide cover for:

Additional Expenses

We will also provide cover to pay the necessary and reasonable expenses (up to a limit of 25% of sums insured) that **you** incur following loss or **Damage** to the **Property Insured** by an insured event in respect clearing of drains, removal of debris, demolition, shoring or propping up, architects, surveyors, structural engineers or legal fees for complying with any government or local authority requirements, but not any fee for preparing a claim or estimate.

Capital Additions

Subject to its terms and conditions;

- i) Any newly acquired and/or newly erected **buildings** or **buildings** in course of erection (excluding any **Property** for which a building contractor is responsible) insofar as the same are not otherwise insured

and

- ii) Alterations additions and improvements to **Buildings** but not in respect of any appreciation in value anywhere in the United Kingdom provided that;

- i) at any one situation this cover shall not exceed £500,000 of the **Sum Insured**.
- ii) **you** undertake to give particulars of such extension of cover as soon as practicable and in any event within ninety (90) days of any newly acquired and/or newly erected **Buildings** or alterations additions and improvements to **Buildings** and to effect specific insurance thereon retrospective to the date of the commencement of the **Underwriters** liability
- iii) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under (ii) above

Contractors' Interest

When **you** are required to effect insurance on **Buildings** in the joint names of you and the contractor under the terms of a contract condition then the interest of the contractor in the **Buildings** as a joint insured is hereby noted subject to any single contract valued in excess of £150,000 or 10% of the **Sum Insured** whichever is the less being advised & agreed by us and an additional premium being paid as appropriate.

Contract Purchaser

Where **you** contract to sell the interest in any **Building** insured by this **Policy**, the contract purchaser will have benefit of the **Buildings** section of the **Policy** until the sale is completed or the Insurance ends, whichever is sooner, but not if the **Buildings** are insured under any other insurance.

Eviction of Squatters

The Insurance by this section shall subject to its terms and conditions extend to cover reasonable and necessary costs incurred with the our prior consent to remove or evict squatters from **Premises** insured under this **Policy** but only up to a limit of £5,000 and only if not otherwise insured.

It is understood that the Insurers will not be liable for:

- i) Fines, penalties, compensation or damages arising in course of removal or eviction occupation of squatters occurring prior to the inception of this cover.

Fire Extinguishment and Alarm Resetting Expenses

We will pay the reasonable costs incurred by you in:

- a) refilling fire extinguishing appliances
- b) recharging halon gas and CO2 flooding systems
- c) replacing used sprinkler heads
- d) refilling sprinkler tanks where costs are metered
- e) resetting fire and intruder alarms and closed circuit television systems

all in consequence of damage insured hereby, limited to £2,500 in any one period of insurance.

Increased Metered Water

We will provide cover for increased water charges **you** have to pay following an escape of water which gives rise to a claim, but not for more than £750 in anyone **Period of Insurance**.

Index linking

Where so indicated in the **Schedule** we will increase the **Sum Insured** each year in line with the Rebuilding Cost Index produced by the Royal Institute of Chartered Surveyors.

Landscaped Areas

We will pay the cost of restoring landscaped areas following **Damage** caused by the Fire Brigade or other emergency services attending the **Premises** following **Damage** to the **Property** insured under this section up to a maximum of £5,000 in any one **Period of Insurance**.

Mortgagees, Freeholders and Lessors

The act or neglect of any mortgagor or leaseholder or lessee or occupier of any **Building** insured by this section where the risk of **Damage** is increased without the authority or knowledge of any mortgagee or freeholder or lessors will not prejudice the interest of the latter party (ies) in this insurance provided they notify us immediately on becoming aware of such increased risk and pay an additional premium if required.

Non Invalidation

The insurance by this section will not be invalidated by any act or omission or by any alterations whereby the risk of **Damage** is increased, either with or without the knowledge of the **Insured**, provided that the **Insured** advises the **Underwriters** as soon as reasonably practicable or upon becoming aware of alteration and pays any additional premium required.

Other Interests

It is understood and agreed that the interest of various Lessees, Freeholders, Mortgagees or Debenture Holders in the **Property Insured** are noted at your request. You will undertake to declare the names, nature and extent of such interests at the time of the **Damage**.

Reinstatement to Match

The insurance is hereby extended to include the cost of replacement or modification of undamaged parts of the **Buildings** that form part of a suite common design or function where the **Damage** is restricted to a clearly identifiable area or to a specific part. Provided that our liability shall in no case exceed £10,000 any one claim or the amount that would have been payable had the suite common design or function been wholly destroyed, whichever is the less.

Residential Property

In the event of any loss, destruction or **Damage** as insured hereby resulting in:

- a) a residential **Building** or residential portion of any **Building** insured hereby uninhabitable
- b) access being prevented to such **Property**

This section includes Loss of Rent as defined in Section 3 and the reasonable additional cost of comparable accommodation incurred by the lessee or owner for any resident including pets which normally live in the **Building** until the said **Property** is habitable or accessible.

Liability will not exceed 20% of the **Sum Insured** applicable to the residential **Building** or residential portion of the building concerned during any one **Period of Insurance**.

Subrogation Waiver

In the event of a claim arising under this section the **Underwriters** agree to waive any rights remedies or relief to which they might have become entitled by subrogation against:

- a) Any company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to the insured as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of **Damage**
- b) Any company which is a subsidiary of a Parent Company of which the insured are themselves a Subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of **Damage**
- c) Any tenant provided that;
 - The **Damage** did not result from a criminal fraudulent or malicious act of the tenant and
 - The tenant contributes to the cost of insuring the **Property Insured** against the event which caused the **Damage**

Theft Loss of or Duplication of Keys / Combinations

We will pay to the **Insured** the reasonable expenses not exceeding £2,500 incurred for the necessary replacement of locks or resetting of digital locks following the loss of keys to the **Premises** from the private residence or person of the **Insured** or an authorised representative.

Trace and Access

It is understood and agreed that in the event of **Damage** resulting from the escape of water or fuel oil or sprinkler leakage, if insured hereby, the insurance is extended to include the cost necessarily and reasonably incurred in locating the source of such **Damage** and the subsequent making good of damage caused as a consequence thereof. It is understood that our liability any one occurrence shall not exceed £10,000.

Unauthorised use of Electricity Gas Oil or Water

The insurance hereby extends to include the cost of metered electricity, gas, oil or water for which **you** are legally responsible arising from its unauthorised use by persons taking possession, keeping possession or occupying the **Premises** without **your** authority.

It is understood and agreed that:

- a) all practicable steps are taken to terminate such unauthorised use as soon as it is discovered
- b) **our** liability any one occurrence shall not exceed £25,000

Underground Services

We will also provide cover for **Damage** caused by external and visible means from a single identifiable event to any underground water or gas main, sewer or drain pipe, underground electricity or telephone cable, all of which extend from the **Property** to the public supply and for which you are legally liable, but not for drainage to any land drainage pipe or the cost of clearing any blocked drain, drainage or sewer pipe.

Upgrading Sprinkler Installation

The Insurance hereby extends to include the additional costs incurred following loss or destruction of or **Damage** to the automatic sprinkler installation at the **Premises** by any cover insured hereby in the event that on repair or reinstatement thereof, we require the installation to conform to the Loss Prevention Council Rules for Automatic Sprinkler Installation current at that time. It is understood that the total amount recoverable under any item of the **Policy** shall not exceed its **Sum Insured**.

VAT

Value Added Tax (VAT) paid by you which is not subsequently recoverable,

Provided that;

- a) **Your** liability for such tax arises solely as a result of the reinstatement or repair of the **Building** following **Damage**
- b) **We** have paid or have agreed to pay for such **Damage**
- c) If any payment made by us in respect of the reinstatement or repair of such **Damage** shall be less than the actual cost of the reinstatement or repair of the **Damage** any payment under this clause resulting from that damage shall be reduced in like proportion
- d) **Our** liability for such tax does not arise from the replacement **Building** having a greater floor area than or being better or more extensive than the destroyed or **Damaged Building**
- e) Where an option to reinstate on another site is exercised our liability under this extension shall not exceed the amount of tax that would have been payable had the **Building** been rebuilt on its original site
- f) **Our** liability under this extension shall not include amounts payable by the **Insured** as penalties or interest for non payment or late payment of tax
- g) **You** have taken all reasonable precautions to insure adequately for VAT liability at inception of the policy and at subsequent renewal date

NB Provisions to the contrary elsewhere in the policy are overridden as follows in respect of those items to which this extension applies;

- i) for the purpose of any Condition of Average reinstatement costs will be exclusive of VAT
- ii) our liability may exceed the **Sum Insured** by any item or in the whole the total **Sum Insured** where such excess is solely in respect of VAT

Workmen

Workmen are allowed to work in the **Buildings** for the purposes of effecting any repairs, minor additions and alterations or decorations, excluding all hot works, without prejudice to this insurance.

Settlement of Claims

1. If **your** claim for loss or Damage is covered under Section 1, **we** will pay the full cost of repair as long as:

The **Buildings** were in a good state of repair immediately prior to the loss or **Damage**,

and

The **Sum Insured** is enough to pay for full cost of rebuilding the **Buildings** in their present form,

and

The **Damage** has been repaired or loss has been reinstated

We will take an amount off for wear and tear from the cost of any replacement or repair if immediately before the loss or **Damage** the **Buildings** were not in a state of good repair.

2. The **Excess** shown in the **Schedule** will be the amount deducted from each and every claim agreed by **us**.
3. **We** will not pay the cost of replacing or repairing any undamaged parts of the **Building** which form part of a pair, set, suite or part of a common design or function when the loss or damage is restricted to a clearly identifiable area or to a specific part.
4. **We** will not reduce the **Sum Insured** under Section 1 after **we** have paid a claim as long as **you** agree to carry out **our** recommendations to prevent further loss or **Damage**.
5. If **you** are under insured, which means the cost of rebuilding the **Buildings** at the time of loss or damage is more than **your Sum Insured** for the **Buildings**, then **we** will only pay a proportion of the claim. For example if **your Sum Insured** only covers one half of the cost of rebuilding the **Buildings**, **we** will only pay one half of the cost of repair or replacement.

Limit of Insurance

We will not pay more than the sum insured for each premises, including additional coverage, shown in the schedule.

Section 2 – Landlords Contents

We cover loss or **Damage** directly caused to the **Landlords Contents** of the **Property** by the following insured events:

Insured Events

1. Fire, lightning, explosion, aircraft or earthquake

2. Storm or flood

BUT EXCLUDING:

- Contents in the open
- **Damage** attributable solely to a change in the water table level
- **Damage** caused by frost, subsidence, ground heave or landslip

3. Escape of water from any fixed appliance, pipe or tank

BUT EXCLUDING:

- Loss or **Damage** caused by faulty workmanship, wear or tear or any gradually operating cause.

4. Escape of oil from any fixed appliance, pipe or tank

BUT EXCLUDING:

- **Damage** caused by faulty workmanship
- **Damage** caused by wear tear or any gradually operating cause

5. Theft or attempted theft, or Robbery or Attempted Robbery, committed on the premises but only if consequent upon:

- forcible and violent entry to or exit from the **Property**

6. Riot, violent disorder, strike, labour disturbance, civil commotion or by any person acting of malicious intent.

7. Collision or impact with the property by aircraft, animals or vehicles

BUT EXCLUDING:

- if owned by you or the tenants

8. Falling trees or branches, lampposts or telegraph poles

BUT EXCLUDING:

- Loss or **Damage** caused by trees being cut down or cut back at the **Property**

9. Breakage or collapse of satellite television receiving equipment or television and radio aerials

10. Subsidence, landslip or ground heave of the site on which the buildings stand

BUT EXCLUDING:

- **Damage** caused by coastal or river erosion
- **Damage** caused whilst the property is undergoing any structural repairs, alterations or extensions
- **Damage** caused by the normal bedding down, settlement or expansion or contraction of new structures, the settlement or newly made up ground or compaction of infill, demolition, defective design, faulty materials or inadequate construction of foundations, or faulty workmanship
- Loss or **Damage** if the **Property** has previously suffered damage by subsidence, landslip or ground heave, unless you have disclosed this and it has been accepted in writing by us

11. Other Premises – Any Contents insured hereby are covered whilst temporarily removed to any other premises in the occupation of the Insured in Great Britain and Northern Ireland but only up to a limit of £2,500 and only if they are not otherwise insured.

Settlement of Claims (Landlords Contents)

1. If **your** claim for loss or **Damage** is covered under Section 2, **we** will decide whether to repair or replace any item that is lost or damaged; if it cannot be repaired or replaced **we** will pay the cost of an equivalent replacement. For total loss or destruction of any item **we** will pay the cost of replacing the item as new, but only if the new item is as close as possible to but not an improvement on the original item and we have authorised the replacement. **We** will take an amount off for wear and tear from the cost of any replacement or repair if immediately before the loss or **Damage** the **Landlords Contents** were not in good repair.
2. The **Excess** shown in the **Schedule** will be the amount deducted from each and every claim agreed by **us**.
3. **We** will not reduce the **Sum Insured** under Section 2 after **we** have paid a claim as long as you agree to carry out **our** recommendations to prevent further loss or damage.
4. If **you** are under insured, which means the cost of replacing the contents at the time of loss or **Damage** is more than **your Sum Insured** for the contents, then **we** will only pay a proportion of the claim. For example if **your Sum Insured** only covers one half of the cost of replacing the **Landlords Contents**, **we** will only pay one half of the cost of repair or replacement.

Section 3 – Business Interruption

In the event of **Damage** to the **Property Insured** under Section 1 (hereinafter called the **Premises**) and the **Business** carried on by the **Insured** at the **Premises** stated in the **Schedule** being in consequence thereof interrupted or interfered with we will (subject to the terms definitions exclusions and conditions of the policy) pay the **Insured** the amount of loss arising as a result in accordance with the following provisions.

a) **Reduction in Gross Rentals** being:

The amount by which the **Gross Rentals** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the **Standard Gross Rentals**

b) **Increase in Cost of Working** being:

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Rentals** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction thereby avoided less any sum saved during the **Indemnity Period** in respect of such of the charges and expenses of the **Business** payable out of **Gross Rentals** as may cease or be reduced in consequence of the **Damage** provided that if the **Sum Insured** by this Section shall be less than the **Annual Gross Rental** (or to a proportionately increased multiple thereof where the Maximum **Indemnity Period** exceeds 12 months) the amount payable shall be proportionately reduced

Additional Cover

This Section extends to include:

Alternative Trading

If during the **Indemnity Period** accommodation shall be provided or services rendered elsewhere than at the **Premises** for the benefit of the **Business** either by you or by others on your behalf the money paid or payable in respect of such accommodation and services shall be taken into account in assessing the **Gross Rentals** during the **Indemnity Period**.

Automatic Rent Review

In the event of the **Gross Rentals** being subject to a rent review during the **Indemnity Period** under the terms of a lease or rental agreement then the **Sum Insured** by this Section will be automatically increased by a maximum of 100%

Buildings Awaiting Sale

If at the time of the **Damage** the **Insured** has contracted to sell his interest in the **Buildings** and the sale is cancelled or delayed in consequence of the **Damage** the amount payable under this section may at the insured's option be amended as follows;

- a) During the period prior to the date upon which but for the **Damage** the **Buildings** would have been sold reduction in **Gross Rentals**, being the amount by which the **Gross Rentals** earned during the **Indemnity Period** will, in consequence of the **Damage**, fall short of the **Standard Gross Rentals**
- b) During the period commencing with the date upon which but for the **Damage** the **Buildings** would have been sold and ending with the actual date of sale or with the expiry of the **Indemnity Period** if earlier:

the loss of interest, being:

- i) Reasonable interest actually incurred on capital borrowed in connection with the **Business** solely to replace (in whole or in part) the loss of use of the sale proceeds
 - ii) Reasonable investment interest lost on any balance of the sale proceeds (after deduction of any capital borrowed as provided for under i) above
- c) Additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or minimising the loss payable under paragraphs a) or b) above, but not exceeding the amount of the reduction avoided by such expenditure.

Provided that our liability under this extension and the Section will not exceed the **Sum Insured** set against the item on **Gross Rentals** in the **Schedule** plus any payment under the Automatic Rent Review Extension in any one **Period of Insurance**.

Capital Additions

This section extends to include **Gross Rentals** in respect of;

- a) Alterations, additions, extensions and improvements to the premises insured
- b) Newly acquired and or newly erected **Buildings** anywhere in the United Kingdom provided they are not otherwise insured

Provided that;

- i) at any one premises the cover shall not exceed £500,000 of the total **Sum Insured** on **Gross Rentals** or £1,000,000 whichever is the less
- ii) the **Insured** undertake to give particulars of such extension of cover as soon as practicable and in any event within six months of any newly acquired and/or newly erected **Buildings** or alterations additions and improvements to **Buildings** and to effect specific insurance thereon retrospective to the date of the commencement of the **Underwriters** liability
- iii) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under ii) above

Denial of Access and Loss or Damage at Managing Agents Premises

Loss as insured by this Section resulting from interruption of or interference with the **Business** in consequence of **Damage** insured under Section 1 to property

- a) in the vicinity of the **Premises** (which is deemed for the purposes of this Insurance to be 1 mile radius of the **Premises**) which shall prevent or hinder the use of or access to the **Premises** whether your **Property** or **Premises** be **Damaged** or not
- b) at the **Premises** of the **Insured's** Managing Agents

Failure of Supply at Public Utilities

This section extends to include interruption of or interference with the **Business** caused by **Damage** as defined in this section giving rise to destruction or **Damage** to **Property** at any;

- a) generating station or sub station of the public electricity supply undertaking
- b) land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith
- c) water works and pumping stations of the public water supply undertaking
- d) land based premises of the public telecommunications undertaking

from which the **Insured** obtains electricity, gas, water or telecommunication services within the **Territorial Limits**.

Murder Suicide or Disease

We shall indemnify the **Insured** in respect of **Damage** resulting from the interruption of or interference with the **Business** during the **Indemnity Period** following;

- a) Any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or any AIDS related condition) an outbreak of which the local authority has stipulated shall be notified to them manifested by any person whilst in the premises or within a 25 miles radius of it
- b) Murder or suicide in the **Premises**
- c) Injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided in the **Premises**
- d) Vermin or pests in the **Premises**
- e) The closing of the whole or part of the **Premises** by order of a competent public authority consequent upon defect in the drains or other sanitary arrangements at the **Premises**

The Insurance by this extension shall only apply for the period beginning with the occurrence of the loss and ending not later than three months thereafter during which the results of the **Business** shall be affected in consequence of the **Damage**.

Payments on Account

In the event of loss if requested by you we will make monthly payments on account during the **Indemnity Period**.

Rent Free Period

If at the date of the **Damage** any **Premises** are subject to a rent free period under the terms of the lease then the **Indemnity Period** stated in the **Schedule** shall be adjusted by adding the unexpired portion of the rent free period to the number of months shown in the **Schedule** provided that the **Underwriters** liability does not exceed the **Sum Insured** or any limit of liability stated in the **Policy** whichever is the lower.

Section 4 – Property Owners Liability

We will cover you for your legal liability as property owner for any amounts **you** become legally liable to pay as damages for **Bodily Injury** or **Damage to Property** caused by an accident happening at the **Property** during the **Period of Insurance**.

The most we will pay for any one accident or series of accidents arising out of any one event is **£2,000,000**, unless shown differently in the schedule of cover, plus the costs and expenses which we have agreed in writing.

We will not cover you for any liability:

1. For **Bodily Injury** to you, any member of **your** family or any person who at the time of sustaining such injury is engaged in **your** service or employed by **you**
2. For **Bodily Injury** arising directly or indirectly from any communicable disease or condition
3. Arising out of any criminal or violent act to another person
4. For **Damage to Property** owned by or in the charge or control of **you**, any member of **your** family or any person engaged in your service or employed by **you**
5. Arising directly or indirectly out of any profession, occupation, business or employment, other than **your** direct liability as a landlord to your tenant/s
6. Which **you** have assumed under contract and which would not otherwise have attached
7. Arising out of your ownership, possession or use of:
 - Any motorised or horse drawn vehicle, other than domestic gardening equipment used at the property
 - Any power-operated lift
 - Any aircraft or watercraft other than manually operated rowing boats, punts or canoes, any Animal other than cats, horses, or dogs which are not designated as dangerous under the Dangerous Dogs Act 1991 or the Dangerous Dogs (Northern Ireland) Order 1991
8. In respect of any kind of pollution and/or contamination other than caused by sudden, identified, unexpected and unforeseen accident which happens in its entirety at a specific moment of time at the **Property** during the **Period of Insurance** and is reported to **us**, in writing, no later than 30 days from the end of the **Period of Insurance**;
In which case all such pollution and/or contamination arising out of such accident shall be deemed to have happened at the time of such accident
9. Arising out of your ownership, occupation, possession or use of any land or **Building** that is not within the **Premises** stated in the **Schedule**
10. If **you** are entitled to indemnity under any other insurance, (until such insurance(s) is/are exhausted).

Additional Cover

This Section extends to include:

Additional Persons Insured / Personal Representatives

The **Insured** shall extend to include in the event of the death of any person entitled to indemnity under this section the deceased's legal personal representatives but only in respect of liability by such deceased person

At the request of the **Insured** we will indemnify in the terms of this section any director of the **Insured** or **Employee** in respect of liability arising in connection with the ownership of the **Premises** described in the **Schedule**

Provided always that;

- a) Each such additional person insured shall as though they were the insured observe fulfil and be subject to the terms of this **Policy** insofar as they can apply
- b) We shall retain the sole conduct and control of all claims

Court Attendance Costs

In the event of any of the under mentioned persons attending court as a witness at our request in connection with a claim in respect of which the insured are entitled to indemnity under this section we will provide compensation to the **Insured** at the following rates per day for each day on which attendance is required;

- a) Any director or partner - £150
- b) Any employee - £100

Up to a maximum of £2,500 any one period of insurance.

Cross Liabilities Clause

If more than one **Insured** is referred to in the **Schedule** each insured so named shall be considered as a separate and distinct entity and the word insured shall be construed as applying to each separate insured in the same manner as if a separate policy had been issued to each.

Provided always that our liability for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed in the aggregate the **Limit of Indemnity** stated in the schedule irrespective of the number of insured parties involved.

Data Protection Act

We will indemnify you in respect of liability arising under the Data Protection Act 1984 as amended by the Data Protection Act 1998 or any subsequent amending legislation

Provided that;

- a) The process of registration under the above Act has been commenced or completed by you and the application has not been refused or withdrawn
- b) No liability arises as a result of the provision by the insured of the services of a computer bureau

We shall not be liable in respect of;

- a) The recording or provision of data for reward or for determining the financial status of any person
- b) Any liability which arises as a result of a deliberate act or omission of the insured and which could reasonably have been expected by the insured having regard to the nature and circumstances of such act or omission

Our total liability including all costs and expenses in this respect shall not exceed £250,000 during any one **Period of Insurance**.

Defective Premises Act

This section subject otherwise to the terms of the **Policy** extends to indemnify **you** against liability for injury, loss or **Damage** arising solely by reason of Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of any premises previously owned for purposes pertaining to the **Business** and since disposed of by **you** provided that;

1. This extension shall not indemnify **you** in respect of loss of or **Damage** to the land or **Premises** disposed of or in connection with the cost of rectifying any defect or alleged defect therein
2. **We** will not be liable under this extension if **you** are entitled to indemnity under any other insurance

Limit of Liability

Our liability for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the **Limit of Indemnity** states in the **Schedule** irrespective of the number of insured parties involved.

In addition we will pay;

1. All other defence costs and expenses incurred with its prior written consent
2. The legal costs and expenses incurred with its written consent for the defence of prosecution brought under Section 36 or 37 of the Health and Safety at Work Act 1974 for any alleged offence as detailed in Section 33(1) (a) (b) or (c) of the Act or under the Health and Safety at Work (Northern Ireland) Order 1978 under Article 31 including legal costs and expenses incurred with our consent in an appeal against conviction arising from such proceedings provided that:
 - a) The proceedings relate to the health, safety and welfare of persons other than employees
 - b) **We** will not indemnify you in respect of
 - i) Fines and penalties
 - ii) Costs or expenses insured by any other policy

Policy Exclusions

The following exclusions apply to ALL Sections of this policy

Asbestos Exclusion

This insurance does not cover any loss, **Damage**, cost or expense directly or indirectly arising out of, resulting as a consequence of, or related to the use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

Contamination and Pollution Exclusion

We will not pay for any loss or **Damage** due to contamination, sooting, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease including but not limited to foot and mouth disease, pollution, adulteration or impurification or due to any limitation or prevention of the use of objects because of hazards to health.

This exclusion does not apply if such loss or **Damage** arises out of one or more of the following perils – fire, lightening, explosion, earthquake, impact of aircraft, storm, flood, weight of snow, escape of water from fixed water tanks, apparatus or pipes, riot, civil commotion, malicious damage, subsidence or heave.

Contractors

We will not pay for any loss, **Damage** or liability arising out of the activities of contractors, for the purpose of this exclusion a contractor is defined as any person, company or organisation working at or on the property, including where you are working in your capacity as a professional tradesman.

Contracts (Rights of Third Parties) Act 1999 Clarification Clause

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

Diminution in Value

We will not pay for any reduction in value of the **Property Insured** following repair or replacement paid for under this Insurance.

Electronic Data Exclusion

We will not pay for Loss, **Damage**, destruction, distortion, erasure, corruption or alteration of **Electronic data** from any cause whatsoever (including but not limited to **Computer virus**) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

However in the event of a fire or explosion resulting from any matter described above, this **Insurance** will cover physical **Damage** occurring during the policy period to the **Property Insured** by the original **Policy**.

Should **Electronic Data** processing media insured by this policy suffer physical loss or damage insured by this policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the **Electronic Data** from back-up or from originals of a previous generation. These costs will not include research and engineering or any costs of recreating, gathering or assembling such **Electronic Data**. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Insurance does not insure any amount pertaining to the value of such **Electronic Data** to the **Insured** or any other party, even if such **Electronic data** cannot be recreated, gathered or assembled.

Micro-organism Exclusion

We will not pay for any loss, **Damage**, claim cost, expenses or other sum directly or indirectly arising out of or relating to Mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual threat to human health.

This exclusion applies regardless whether there is:

- i) Any physical loss or **Damage** to insured property
- ii) Any insured peril or cause, whether or not contributing concurrently or in any sequence
- iii) Any one loss, occupancy or functionality
- iv) Any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation or steps taken to address medical or legal concerns

Northern Ireland Overriding Exclusion Clause

Notwithstanding anything within the **Policy** or in any extensions thereof it is hereby declared and agreed that as an exclusion overriding all other terms (including the nature and terms of perils insured against) this **Policy** does not cover loss or destruction of or **Damage** to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence directly or indirectly of;

- i) Civil commotion
- ii) Any unlawful, wanton or malicious act committed maliciously by a person or persons action of or in connection with any Unlawful Association

Radioactive Contamination and Nuclear Assemblies Exclusion

We will not pay for:

1. loss or destruction of or **Damage** to any property whatsoever, or any loss or expenses whatsoever resulting or arising therefrom or any consequential loss
2. any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from:-

- i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel,
- ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Terrorism Exclusion

Notwithstanding any provision to the contrary within this Insurance or any endorsement thereto it is agreed that this Insurance excludes loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing or in any other sequence to the loss.

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

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

If the **Underwriters** allege that by reason of this exclusion, any loss, **Damage**, cost or expense is not covered by this Insurance the burden of proving the contrary shall be upon the **Insured**.

In the event that any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

War and Civil War Exclusion

We will not pay for any loss or **Damage** or liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation or nationalisation or requisition or destruction of or **Damage** to **Property** by or under the order of any government or public or local authority.

Policy Endorsements

The following only apply if specified in the Schedule

1 - Accidental Damage to Buildings Extension

The **Insured Events** by Section 1 are extended to cover the **Property Insured** specified in the **Schedule** against All Risks of accidental, physical loss or **Damage** occurring during the **Period of Insurance** at the **Premises** and subject to the **Sums Insured** specified in the **Schedule**.

This extension does not cover;

- a) The amount of the **Excess** specified in the **Schedule**
- b) **Damage** caused by or following upon subsidence, collapse, landslip, ground heave, settling, cracking, shrinkage or expansion of any building or foundation
- c) Mechanical and/or electrical derangement and/or breakdown, breakage of valves, filaments and the like burning out or **Damage** directly caused by short circuiting and/or claims arising from overheating
- d) **Damage** caused by moth, vermin or insect, wear, tear, gradual deterioration, rust or oxidization, rot, mould or mildew, inherent vice, latent defect, mysterious disappearance or unexplained shortage
- e) **Damage** caused by faulty manipulation, scratching or denting or loss of magnetism and/or erasure of tapes or faulty projection, shortage in weight, contamination, taint or insufficiency of insulation
- f) Breakage of articles of a brittle nature (other than jewellery) unless such breakage is caused by burglars, thieves or fire and/or breakage of **Glass**, over winding or internal damage of clocks and/or watches
- g) Loss by delay, loss of market, consequential loss of any and every description
- h) **Damage** which may be sustained whilst the **Property Insured** is being worked upon or is under any process and directly resulting therefrom
- i) **Damage** caused by climatic or atmospheric conditions or extremes of temperature
- j) Infidelity or dishonesty by the **Insured** or any **Employee(s)** of the **Insured**
- k) **Damage** to aircraft, watercraft, vehicles, livestock, growing timber or crops, jewellery, furs, watches, precious metals/stones, money, documents, data or word processing, media or computer systems records
- l) **Damage** insured more specifically under any other Section or Sections of this **Policy** or any other insurance
- m) **Damage** to TV and radio aerials, satellite dishes, aerial fittings and masts
- n) **Damage** to moveable property in the open and to fences walls gates and hedges
- o) **Damage** resulting from any exclusions to **Insured Events 1-10**

2 - Additional Security Clause

It is warranted that the **Premises** shall be boarded, shuttered or grilled in respect of all ground floor accessible doors and windows.

3 - Alarm Clause

This Insurance does not cover theft unless:

- a) at all such times the intruder alarm has been put into full and effective operation, and
- b) the intruder alarm is kept in good working order throughout the **Period of Insurance** under a maintenance contract with the installing company.

4 - Composite Panel Conditions

It is a condition precedent to liability that in respect of any **Building** containing composite panels that;

1. suitable fire extinguisher appliances to be supplied in all cooking areas
2. ducting, conduit wiring and hot flues be adequately protected within fire resistant sleeves where passing through composite panels
3. at least weekly inspections to be undertaken by you to check for damage to composite panels or panel joints. Any defects found to be rectified without delay or replaced by a panel with a non combustible core within 7 days
4. no repairs to be made to composite panels that involve welding, grinding, cutting or other obvious ignition sources
5. all heat sources to be kept at least 2 metres from any composite panelling or such panelling to be of a non-combustible core
6. no external storage of combustible stock, packaging, pallets, waste or waste skips or bins within 10 metres of the **Buildings**
7. any work involving the application of heat must be only be carried out by a qualified Contractor and you must ensure the Contractor has adequate Public Liability insurance in force and shall confirm same through sight of a certificate of insurance. Subrogation Rights against such Contractor shall not be waived by you. The following conditions precedent to liability apply:
 - a) the area in which work is to be carried out shall be adequately cleared and combustible materials shall be removed to a distance not less than 6 metres from the area of proposed work
 - b) if work is to be carried out overhead then the area beneath shall be similarly cleared and all combustible materials removed
 - c) suitable fire extinguisher with a capacity of not less than 9 litres shall be kept available for immediate use
 - d) blow lamps and blow torches shall be lit in as short a time as possible before use and extinguished immediately after use
 - e) lighted blow lamps and torches shall not be left unattended
 - f) half an hour after each period of work a thorough examination shall be made of and in the area in which works have been undertaken
 - g) if work is to be carried out in the vicinity of composite/sandwich panels then such panels must be protected by non-combustible blankets drapes or screens

5 - Daily Waste Condition

It is a condition precedent to liability that all combustible trade waste and refuse will be removed from the **Buildings** every night.

6 - Escape of Water

Cover in respect of escape of water or burst pipes shall only apply provided that the **Property** is fitted with central heating and that the heating is left on during the period 1st November to 1st April so as to maintain a temperature within the property of 58 degrees Fahrenheit or 15 degrees centigrade, or the water be turned off at the mains and the water system be drained.

7 - Flat Roof Maintenance Condition

It is a condition precedent to liability in respect of **Damage** by storm, tempest and flood that any flat felted roof portion of the **Premises** shall have been inspected at least once every two years by a qualified builder or property surveyor and any defects brought to light by that inspection shall be repaired immediately.

8 - Flood Exclusion Clause

Section 1 (Buildings) of this Insurance does not cover loss or **Damage** caused by flood other than directly resulting from escape of water from fixed water tanks, apparatus or pipes.

9 - Frying and Cooking Equipment Conditions

It is a condition precedent to liability that;

1. all frying and other cooking ranges, equipment, flues and exhaust ducting will be kept securely fixed and free from contact with combustible materials
2. all extraction hoods, canopies, filters and grease traps will be cleaned at least every 2 weeks
3. all extraction ducts will be cleaned regularly and maintained and checked at least once every 6 months by a specialist contractor
4. the record of such cleaning and servicing of the extraction ducts will be kept elsewhere other than at the premises and will be made available for inspection at any time
5. frying equipment will be installed, used and maintained in accordance with the manufacturer's instructions
6. multi purpose fire extinguishers and at least one fire retardant blanket which conforms to the relevant British Standard suitable for extinguishing oil and fat fires will be kept in close proximity to the working area of the range and maintained ready for use
7. frying ranges will not be left unattended whilst not in use
8. all naked flames (other than pilot lights) and all electrical elements will be turned off at the close of the working day

10 - Illegal Entry and Security

It is a condition of the **Policy** that the **Property Insured** is secured against illegal entry, and all accessible windows and post boxes are to be boarded up

11 - Metal Workers Waste Condition

It is a condition precedent to liability that all oily and/or greasy waste and used cleaning cloths which remain in the **Buildings** overnight will be kept in metal receptacles with metal lids and removed from the **Buildings** at least once a week.

12 - Minimum Security Clause

This **Insurance** does not cover theft from the private dwelling of the **Property** unless the undernoted minimum protections are fitted.

External Doors: 5 Lever Mortice Deadlocks (conforming to British Standard 3621).

Patio Doors: In addition to a central locking device, key operated bolts to top and bottom opening sections.

Windows: Key operated security locks to all ground floor and other accessible windows.

13 - Non-standard Construction Clause

It is agreed that the **Property** is not of standard construction.

14 - No Smoking Condition

It is a condition precedent to liability that smoking will not be permitted on the **Premises** at any time and signs to this effect will be prominently displayed.

15 - Paint Spraying Conditions

It is a condition precedent to liability that all spraying of paints or varnishes with a flash point below 32 degrees centigrade will be carried out in an area enclosed by non-combustible materials and extraction to the open air and any electrical installation including that for extraction will be of flameproof design and any heating will be of the black-heat type and with fully enclosed elements.

It is also a condition precedent to liability that;

1. only one days supply of flammables will be kept in the spraying area
2. all other flammables will be kept in a designated enclosed steel bin or if the stocks of same are substantial they will be kept in a store with high and low level vents to the open air or forced flameproof extractor at floor level
3. all lighting will also be flameproof
4. smoking will be prohibited in the areas where processes are carried out and signs to this effect will be prominently displayed

16 - Storage of Combustible Materials in the Open Condition

It is a condition precedent to liability that no combustible materials are externally stored within 10 metres of the **Buildings** outside **Business** hours.

17 - Subsidence Ground Heave and Landslip Exclusion

Subsidence or heave of the site upon which the **Buildings** stand or landslip is not covered by this Insurance.

18 - Survey Clause

Cover hereon is strictly subject to receipt by **us** of a satisfactory survey carried out by an authorised surveyor within 30 days of the inception date of this insurance or by a date agreed by **us** and advised to **you**. We reserve the right to cancel this insurance with immediate effect or impose special terms and conditions and/or revise the premium rate upon receipt of the survey. **You** shall implement the survey requirement(s) or as otherwise agreed by **us** within a period to be agreed by **us** and advised to **you**. If **you** fail to implement the requirement(s) within the period agreed by **us** then all coverage hereunder shall terminate at the end of said period.

19 - Unoccupied Endorsement

Conditions Applicable

1. It is warranted that the **Insured** or his representatives visit the **premises** for internal and external inspection purposes at least once every 14 days, a record of all such inspections to be kept and any defects revealed by such inspections remedied immediately.
2. **Property** must be maintained in a good condition
3. All letter boxes and other similar openings to be sealed
4. All loose material to be kept clear of the **Property**
5. Cover is restricted to Fire, Lightning, Explosion, Earthquake and aircraft and other flying devices falling from them.

Minimum excess applicable £250.00

20 - Use of Heat Conditions

It is a condition precedent to liability that the following precautions are complied with on each occasion of the use or application of heat (as defined below) taking place on the **Premises**;

- a) application of heat by means of electric, oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers;
 - i) the area in the immediate vicinity of the work (including in the case of work carried out on one side of a wall or partition, the opposite side of the wall or partition) must be cleared of all loose combustible material; other combustible material must be covered by sand or over-lapping sheets or screens of non-combustible material
 - ii) at least two adequate and appropriate portable fire extinguishers, in proper working order, must be kept in the immediate area of the work being undertaken and used immediately smoke or smouldering or flames are detected
 - iii) a fire safety check of the working area must be made approximately 60 minutes after the completion of each period of work and immediate steps taken to extinguish any smouldering or flames discovered
 - iv) blow lamps and blow torches must be filled in the open and must not be lit until immediately before use and must be extinguished immediately after use
 - v) a person must be appointed by the **Insured** to act as an observer to watch for signs of smoke or smouldering or flames

- b) use of asphalt, bitumen, tar, pitch or lead heaters;
 - i) the heating must be carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel must be placed on a non-combustible heat insulating base.

21 - Weekly Waste Condition

It is a condition precedent to liability that all combustible trade waste and refuse will be swept up daily and kept in bags or bins and removed from the **Buildings** at least once a week.

Notice to the Insured

Law Applicable to Contract

The parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary in writing by us, this insurance shall be subject to English Law.

Complaints Procedure

Our aim is to provide all **our** customers with first class service. If **you** have any questions or concerns about **your** policy or the handling of a claim **you** should, in the first instance, contact **your broker** who arranged this cover for **you**.

Please quote **your** contract and certificate/ policy number in all correspondence so that **your** query may be dealt with speedily.

If **you** are unable to resolve the situation and wish to make a complaint **you** can do so at any time by referring matters in writing to the Compliance Officer of:

Great Lakes Reinsurance (UK) PLC
Plantation Place,
30 Fenchurch Street,
London,
EC3M 3AJ

Tel: 020 3003 7000
Fax: 020 3003 7010

In the event of contacting Great Lakes Reinsurance (UK) PLC **you** are still dissatisfied then **you** may refer **your** case to:

The Financial Ombudsman Service
South Quay Plaza,
183 Marsh Wall,
London
E14 9SR

Tel: 0845 080 1800. Further information is available from them.

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). Subject to the FSCS Rules **you** may be entitled to compensation from the scheme if **we** cannot meet our obligations. This depends on the type of business and circumstances of the claim.

General insurance products are generally covered for 100% of the first £2,000 and 90% of the remainder of the claim. However, compulsory classes of insurance are covered for 100% of the claim. In each of these cases there is no limit to the amount of compensation payable. Further information about compensation scheme arrangements is available from FSCS.

