



# PROPERTY INVESTORS PROTECTION PLAN

Your Policy Terms and Conditions  
August 2016 Edition

redefining / standards





## Introducing AXA

### **One of the world's largest insurers**

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

### **Care, advice & support – when you need it**

As one of the world leaders in financial protection and wealth management, we offer a wide range of insurance and financial products to meet your business and personal needs. Our commitment is to deliver our products with consistent care, advice and support as and when you need it

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

AXA provides products that help people to get the best out of life. Our products and services include: Business Insurance, Home and Motor Insurance, Investments, Life Assurance, Retirement Planning, Long Term Care, Asset Management, Medical Insurance and Dental Payment Plans

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

**Contents**

---

● Your Policy	4
● Important Helplines	5
● Definitions	6
● Section 1 – The Buildings	8
● Section 2 – Rental Income	18
● Section 3 – Public Liability	24
● Section 4 – Employers Liability	27
● Section 5 – Terrorism Insurance	30
● Policy Exclusions	32
● Special Clauses	38
● Policy Conditions	40
● Making a Complaint	44

## Your Policy

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

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

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

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

*Please refer to the Policy Conditions of this Policy*

### **Important**

---

We recommend You read this Policy together with Your schedule to ensure that it meets with Your requirements. Should You have any queries please contact us or Your Insurance Adviser

Your attention is drawn to the Complaints procedure (Making a Complaint) on Page 44

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

---

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

## Important Helplines

Glass Replacement Service	<b>0300 303 2944*</b>	A quick and efficient repair/replacement service is available 24 hours a day 365 days a year
Legal and Tax Advice	<b>0330 024 5346**</b>	Our confidential legal and tax advice line. Please quote AXA Commercial when You call
Emergency Helpline	<b>0330 024 5346***</b>	Our 24 hour emergency helpline. Please quote AXA Commercial when You call. We will provide details of reputable contractors who will be able to help. Calling the helpline does not constitute notification of an insurance claim. You will have to pay for any call out charges, parts and cost of labour.

\*The Glass replacement service is provided by an AXA approved glazing and locks provider.

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

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

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

\*\*\* The emergency assistance helpline is provided on behalf of Arc Legal Assistance Ltd by AXA Assistance UK. Arc Legal Assistance Ltd make no additional charge for providing these services

Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority. Their Firm Reference Number is 305958

Irwin Mitchell LLP is a limited liability partnership registered in England and Wales, with number OC343987, and is authorised and regulated by the Solicitors Regulation Authority

Telephone calls may be monitored and recorded

## Definitions

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

### **Company/Our/Us/We**

---

AXA Insurance UK plc

### **Business**

---

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 or welfare organisations for the benefit of Employees and fire security first aid medical and ambulance services
- c) private work undertaken with the prior consent of the Insured by Employees for any director or senior official of the Insured

### **Damage**

---

The word DAMAGE in capital letters shall mean accidental loss or destruction of or damage to the Property Insured in respect of Section 1 and accidental loss or destruction of or damage to the property used by the Insured at the Premises for the purposes of the Business in respect of Section 2

### **Defined Peril**

---

The words Defined Peril shall mean 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 theft earthquake storm flood escape of water from any tank apparatus or pipe or impact by any road vehicle or animal

### **Empty**

---

The word Empty shall mean wholly unoccupied mainly unoccupied or not in use

### **Employee**

---

- 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

### **Injury**

---

Bodily injury death disease illness or nervous shock

### **Insured/You/Your**

---

The Person(s) or company named in the Schedule

### **Offshore**

---

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

### **Policy**

---

The Policy and Schedule and any endorsements attached or issued

### **Proposal**

---

The signed Proposal or Statement of Fact and declaration and any additional information supplied to the Company by or on behalf of the Insured

### **Standard Construction**

---

Brick stone or concrete built and roofed with slates tiles metal concrete or sheets or slabs composed entirely of incombustible mineral ingredients and plastic roof lights

### **Non-standard Construction**

---

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

### **Territorial Limits**

---

- a) Great Britain Northern Ireland the Channel Islands or the Isle of Man other than Offshore
- b) Elsewhere in the world other than Offshore in connection with temporary visits undertaken in the course of the Business by any person normally resident in the territories described in a) above

## Section 1

### Buildings

#### The Cover

The Company will (subject to the terms definitions exclusions and conditions of the Policy) if any of the Property Insured be accidentally lost destroyed or damaged pay to the Insured the value of the property at the time of its loss or destruction or the amount of the damage or at the Companys option reinstate or replace such property or any part of it

#### Property Insured

- a) The buildings shown in the Schedule including outbuildings annexes gangways conveniences foundations or footings (unless otherwise excluded) yards car parks roads pavements landscaping planters ornamental features and statues walls gates and fences together with landlord's fixtures and fittings therein and thereon tenants improvements underground pipes drains 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 Insureds responsibility
- b) Fitted carpets and other furnishings belonging to the Insured but excluding fitted carpets and other furnishings within properties or portions thereof which are let for domestic purposes Fixed glass in windows doors fanlights skylights partitions and fixed sanitary ware

### Amount Excluded

This Section does not cover the amounts stated in the following paragraph in respect of each and every loss at each Premises as ascertained after the application of all other terms and conditions of the Policy including any Condition of Average

Compensation	Amount Excluded £
<b>1</b> DAMAGE by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances or earthquake	Nil
<b>2</b> All other insured DAMAGE	£350

### Limit of Liability

The maximum amount payable during any Period of Insurance under this Section including any payment made under the Extensions is the Sum Insured shown in the Schedule for the Buildings Section adjusted in accordance with the Inflation Protection Clause if applicable



## Clauses

### Change in Tenancy

The Insured must advise the Company of all changes in tenancy or occupation within the Property Insured in accordance with Condition 1 of this Policy

### Construction of Buildings

Except as otherwise stated the buildings described in the Schedule are of Standard Construction

### Contractors Interest

Where the Insured is required to effect insurance on the Property Insured in the joint names of themselves and the contractor under the terms of a contract condition then the interest of the contractor in the Property Insured as joint insured is noted provided the Insured shall advise the Company of details of any single contract valued in excess of £150,000 or 10% of the Sum Insured on the Property Insured whichever is the less and pay any additional premium the Company may require

### Day One Average

A Subject to the following Special Conditions the basis upon which the amount payable in respect of the Property Insured under sums insured marked DA in the Schedule is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose 'reinstatement' means

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

B The Insured having stated in writing the Declared Value shown in brackets below the Sum Insured for each of the said items the premium has been calculated accordingly

'Declared Value' means the Insureds assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph A(a) at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with insofar as the insurance by the item provides due allowance for

- a) the additional cost of reinstatement to comply with public authority requirements
- b) professional fees
- c) debris removal costs
- d) fitted carpets and other furnishings

### Special Conditions

- 1 At the inception of each Period of Insurance the Insured shall notify the Company of the Declared Value of the Property Insured by each of the said item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance
- 2 If at the time of DAMAGE the Declared Value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph B above) at the inception of the Period of Insurance then the Companys liability for any DAMAGE shall not exceed that proportion thereof which the Declared Value bears to such cost of reinstatement
- 3 The liability of the Company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed

- 4 No payment beyond the amount which would have been payable in the absence of this clause shall be made
- a) unless reinstatement commences and proceeds without unreasonable delay
  - b) until the cost of reinstatement shall have been actually incurred
  - c) if the Property Insured at the time of its loss destruction or damage shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of reinstatement

5 All the terms and conditions of this Policy shall apply in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby

- 6 Where by reason of
- a) any of the above Special Conditions no payment is to be made beyond the amount which would have been payable under this Section if this clause had not been incorporated therein

or

- b) the Insured elect not to rebuild the Property Insured in a condition equal to but not better or more extensive than its condition when new then the provisions of this clause are cancelled and the rights and liabilities of the Company and the Insured in respect of the DAMAGE shall be subject to the terms and conditions of the Policy including the following Condition of Average –

The insurance by each item of this Section is declared to be subject to Average i.e. if the property covered shall at the breaking out of any DAMAGE insured hereby be collectively of greater value than 115% of the Declared Value stated in the Schedule then the Insured shall be considered as being their own insurer

for the difference and shall bear a rateable share of the loss accordingly

**Empty Buildings**

- a) Whenever the Property Insured by this Section is Empty the Empty Buildings Warranty will apply
- b) The Company must be notified in writing immediately any Empty building or Empty portion of a building insured hereby becomes occupied or any occupied building becomes Empty and a suitable extra premium be paid if required

**Empty Buildings Condition**

It is a condition precedent to liability that whenever the Property Insured is Empty

- a) the Insured shall notify the Company immediately they become aware
  - i) that the building(s) are Empty
  - ii) of any loss destruction or damage to the Empty building(s) whether such loss destruction or damage is insured or not with all loss destruction or damage rectified immediately
- b) the buildings are inspected internally at least once during each week by or on behalf of the Insured
- c) all trade refuse and waste materials are removed from the interior of the premises and no accumulation of refuse and waste be allowed in the adjoining yards or spaces owned by the Insured
- d) the Insured shall secure the building and put all protective and locking devices and any alarm protection into effective operation with letterboxes sealed to prevent the accumulation of mail Any entry doors must be secured with a minimum of BS3621 mortise deadlock and plate

- e) the gas water and electricity supplies are turned off at the mains (except electricity needed to maintain any fire or intruder alarm system in operation) and any sprinkler system be drained and during the months of October to March (inclusive) the water system be drained
- f) the Insured shall implement any additional protections the Company may require within the time scale specified by the Company

#### **Fire Extinguishing Appliances**

Where the Company has agreed to allow a discount for the fire extinguishing equipment it is a condition precedent to liability that

- i) the said appliances will be maintained in efficient working order during the currency of this insurance
- ii) the routine tests prescribed by the Company are carried out and any defects revealed by such tests are promptly remedied
- iii) the Companys written consent is obtained to any proposed changes repairs or alterations to any sprinkler or alarm installation

#### **Inflation Protection**

The Company will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted Sum Insured

#### **Mortgagees and Other Interests**

The interest of the Leaseholder(s) Mortgagee(s) and Tenant(s) in the individual portions of the Property Insured to which their interest applies is noted such interest to be advised to the Company in the event of a claim In addition the interest of the Insured or Mortgagee(s) in this insurance shall not be prejudiced by any act or neglect of the occupier(s) or Mortgagor(s) of any building hereby insured whereby the risk of DAMAGE is increased without the authority or knowledge of the Insured or Mortgagee(s)

provided that the Insured or Mortgagees shall immediately on becoming aware thereof give notice in writing to the Company and on demand pay such reasonable additional premium as the Company may require

#### **Payments on Account**

In the event of DAMAGE the Company will make monthly payments on account to the Insured if required

#### **Reinstatement of Sum Insured**

In the event of loss the Sum Insured by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the Company or by the Insured and the Insured undertake to pay such necessary premiums as may be required for such reinstatement from that date

#### **Repairs and Alterations**

Joiners and other tradesmen may be employed to effect repairs or minor structural alterations in all or any of the buildings insured without prejudice to the insurance hereby

#### **Sale of Property Insured**

If at the time of DAMAGE to any building insured under this Section the Insured shall have contracted to sell the interest of the Insured in such building 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 property is not otherwise insured by or on behalf of the purchaser against such DAMAGE shall be entitled to the benefits of this Section of the Policy so far as it relates to such DAMAGE without prejudice to the rights and liabilities of the Insured or the Company under this Section up to the date of completion

### **Subrogation Waiver**

In the event of a claim arising under this Section the Company agrees 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
  - i) the DAMAGE did not result from a criminal fraudulent or malicious act of the tenant
  - ii) the tenant contributes to the cost of insuring the Property Insured against the event which caused the DAMAGE

### **Extensions**

---

The Insurance by this Section extends to include

#### **Additional Metered Water Charges**

Additional metered water charges incurred by the Insured as a result of DAMAGE except those in respect of any loss which has not been discovered and remedial action taken within 30 days of the occurrence of the DAMAGE subject to a limit of £25,000

#### **Additional Sprinkler Costs**

The costs incurred in upgrading an automatic sprinkler installation to current LPC rules solely as required by the Company as a result of DAMAGE to the Property Insured provided that at the time of the DAMAGE the installation conformed

- to the 28th or 29th Edition Rules or
- to the LPC Rules current at the time of installation but did not conform to subsequent amendments to those rules

#### **Alternative Residential Accommodation**

If as a result of DAMAGE the residential portions of the Property Insured are unfit to live in or access is denied the Company will pay insofar as they are not otherwise insured

- a) the costs of reasonable alternative accommodation and temporary storage of residents furniture
- b) the cost of reasonable accommodation in kennels or catteries for residents dogs and cats

Provided the liability of the Company under this Extension shall not exceed 20% of the Sum Insured on the Property Insured which has been damaged

**Architects Surveyors Legal and Consulting Engineers Fees**

An amount in respect of architects surveyors legal and consulting engineers fees necessarily incurred in the reinstatement or repair of the Property Insured consequent upon its DAMAGE but not for preparing any claim it being understood that the amount payable for such destruction or damage and fees shall not exceed in the aggregate the Sum Insured

**Automatic Cover (Newly Acquired Properties)**

Automatic cover for premises newly acquired by the Insured in the United Kingdom to the extent that the Insured's interest is not protected by any other more specific insurance

provided that

- a) as soon as reasonably practicable the Insured shall notify the Company in writing of each premises acquired and arrange specific cover with the Company
- b) this cover shall operate for a maximum period of 30 days from the date the Insured acquired their interest in the Premises
- c) the Company's maximum liability any one claim for Buildings and Rent shall not exceed £2,000,000 in respect of any Premises
- d) in respect of any Premises purchased for renovation refurbishment or redevelopment the Day One Average Clause shall not apply
- e) the insurance under this extension shall be subject to all the terms provisions clauses conditions and exclusions of the Policy
- f) if cover is provided under this Extension then cover is not provided under the Capital Additions Extension at the same time in respect of the same property

**Capital Additions**

Subject to its terms and conditions

- a) 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
- b) 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 20% of the Sum Insured by this Section but in no case exceeding £2,000,000
- ii) the Insured undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the Companys liability
- iii) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under (ii) above
- iv) if cover is provided under this Extension then cover is not provided under the Automatic Cover (Newly Acquired Properties) Extension at the same time in respect of the same property

**Contract Works**

Contract Works to the extent to which the Insured has contracted to arrange cover subject to a limit of £25,000 any one claim at any Premises excluding the first £250 of each and every loss This insurance shall only apply in so far as the Contract Works are not otherwise insured

**Damage to Landscaped Gardens**

The cost of restoring any damage to landscaped gardens including trees by the Emergency Services in attending the premises as a result of DAMAGE insured by this Section

**Damage to Cables and Underground Pipes**

The cost of repairing accidental damage for which the Insured is responsible to cables and underground pipes and drains (and their inspection covers) on the Property Insured or connecting them to the public mains subject to the terms and conditions of the Policy

**European Community and Public Authorities**

Such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of

- a) European Community Legislation or
  - b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority (hereafter referred to as "the Stipulations") in respect of
    - the lost destroyed or damaged property thereby insured
    - undamaged portions thereof
- Excluding
- a) the cost incurred in complying with the Stipulations
    - i) in respect of DAMAGE occurring prior to the granting of this extension
    - ii) in respect of DAMAGE not insured by this Section
    - iii) under which notice has been served upon the Insured prior to the happening of the DAMAGE
    - iv) for which there is an existing requirement which has to be implemented within a given period
    - v) in respect of property entirely undamaged by any peril hereby insured against

- b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations

**Special Conditions**

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the DAMAGE or within such further time as the Company may allow (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the Company under this extension not being thereby increased
- 2 If the liability of the Company under (any item of) this Section apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under this extension (in respect of any such item) shall be reduced in like proportion
- 3 The total amount recoverable under any item of this Section shall not exceed its Sum Insured
- 4 All the terms and conditions of the policy except insofar as they are varied hereby shall apply as if they had been incorporated herein

**Extinguishment and Alarm**

**Resetting Expenses**

The reasonable costs incurred by the Insured in refilling fire extinguishing appliances replacing used sprinkler heads and resetting fire or intruder alarms as a result of DAMAGE to the Property Insured

**Further Investigation Expenses**

Where a Building has suffered DAMAGE and in the opinion of a competent construction professional there is a reasonable possibility of other DAMAGE to portions of the same Building which is not immediately apparent the Company will pay the reasonable costs incurred by the Insured with the Company's prior consent in establishing whether or not such DAMAGE has occurred

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

**Glass Breakage**

- a) temporary boarding up following breakage
- b) the cost of removal or replacement of fixtures and fittings in course of the replacement of the glass
- c) lettering or other ornamental work and alarm foil on glass

**Personal Possessions**

Directors partners customers visitors and Employees personal effects of every description (other than motor vehicles) insofar as they are not otherwise insured for an amount not exceeding £500 in respect of any one person

**Removal of Debris**

Costs and expenses necessarily incurred by the Insured with the consent of the Company in

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping of the portions of the Property Insured
- d) clearing drains sewers and gutters at the Property Insured

as a result of DAMAGE hereby insured against

The Company will not pay for any costs or expenses

- 1 incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- 2 arising from pollution or contamination of property not insured by this Section

The liability of the Company under this Extension and this Section in respect of any item shall in no case exceed the Sum Insured thereby

**Removal of Debris –  
Tenants Contents**

The irrecoverable costs and expenses (insofar as they are not otherwise insured) necessarily incurred by the Insured with the consent of the Company in removing from the Property Insured the debris of contents (not being the property of the Insured) as a result of DAMAGE hereby insured against

The Company will not pay for any costs or expenses

- 1 incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- 2 arising from pollution or contamination of property not insured by this Section

The liability of the Company under this Extension and this Section in respect of any item shall in no case exceed the Sum Insured thereby

**Temporary Removal**

Temporary removal of

- a) property insured by this Section for cleaning renovation or repair
- b) deeds documents and plans to any building within the United Kingdom

Provided the liability of the Company under each of (a) and (b) shall not exceed £25,000

**Theft of Keys**

The reasonable costs necessarily incurred in replacing external door locks at the Property Insured following the loss of keys by

- a) theft from the Property Insured or Registered Office or from the home of
- b) theft following hold-up whilst such keys are in the personal custody of

the Insured or any principal director partner or Employee authorised to hold such keys

or reasonable evidence that the keys have been duplicated by an unauthorised person

Provided that the maximum amount payable under this Extension in any one Period of Insurance shall not exceed £1,000 in respect of any one premises

**Trace and Access**

The reasonable costs necessarily incurred by the Insured in locating the source and subsequent making good of DAMAGE resulting from

- i) the escape of water from any tank apparatus or pipe
- ii) accidental damage to cables underground pipes and drains serving the Property Insured

**Unauthorised Use of Utilities**

The cost of metered electricity gas or water for which the Insured are legally responsible arising from its unauthorised use by persons taking possession keeping possession or occupying the Property Insured without the Insureds authority Provided that the Insured shall take all practical steps to terminate such unauthorised use as soon as it is discovered



**Value Added Tax**

Value Added Tax (VAT) paid by the Insured which is not subsequently recoverable

Provided that

- 1 a) the Insureds liability for such tax arises solely as a result of the reinstatement or repair of the building following DAMAGE
- b) the Company have paid or have agreed to pay for such DAMAGE
- c) if any payment made by the Company 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
- 2 the Insureds 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
- 3 where an option to reinstate on another site is exercised the Companys 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
- 4 the Companys liability under this Extension shall not include amounts payable by the Insured as penalties or interest for non payment or late payment of tax
- 5 the Insured has taken all reasonable precautions to insure adequately for VAT liability at inception of the Policy and at each subsequent renewal date

NB Provisions to the contrary elsewhere in this 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) the liability of the Company may exceed the Sum Insured by an item or in the whole the total Sum Insured where such excess is solely in respect of VAT

## Section 2

### **Rental Income**

#### **The Cover**

In the event of the Property Insured under Section 1 (hereinafter called the Premises) being accidentally lost destroyed or damaged and the Business carried on by the Insured at the Premises stated in the Schedule be in consequence thereof interrupted or interfered with the Company 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

#### **Indemnity**

The insurance is limited to loss due to (a) loss of Rent Receivable and (b) increase in cost of working and the amount payable as indemnity thereunder shall be

- a) the amount by which the Rent Receivable during the Indemnity Period shall in consequence of the DAMAGE fall short of the Standard Rent Receivable
- b) the additional expenditure necessarily and reasonably incurred including the cost of re-letting the Premises (including legal fees) for the sole purpose of avoiding or diminishing the loss of Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the DAMAGE but not exceeding the amount of the reduction in Rent Receivable thereby avoided

plus

5% sum insured on Rent Receivable for the Premises (but not more than £25,000)

less any sum saved during the Indemnity Period in respect of such charges or expenses of the Business as may cease or be reduced in the consequence of the DAMAGE

provided that

- i) payment shall have been made or liability admitted under Section 1 of this Policy
- ii) if the Sum Insured by this Section be less than 300% of the Annual Rent Receivable the amount payable shall be proportionately reduced

### **Definitions**

#### **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

#### **Rent Receivable**

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

#### **Annual Rent Receivable**

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

#### **Standard Rent Receivable**

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

Under the Definitions Annual Rent Receivable and Standard Rent Receivable 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

#### **Limit of Liability**

The maximum payable during any Period of Insurance under this Section is the Sum Insured shown in the Schedule adjusted in accordance with the Inflation Protection Clause if applicable plus any payment made under the Rent Review Extension

## Clauses

### Advance Rent Receivable

Where Rent Receivable is insured in respect of new property developments the Insured must show that but for the DAMAGE Rent Receivable would have been earned and will be required to support a claim for Loss of Rent Receivable by submitting reasonable evidence of the amount of such Rent Receivable and the date from which they would have been earned. The Company will have regard

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

If required the advice of a professional valuer acceptable to both the Insured and the Company will be sought and such fees will be included in the indemnity under this Clause

### 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 the Insured or others on their behalf the money paid or payable in respect of such accommodation and services shall be brought into account in arriving at the Rent Receivable during the Indemnity Period

### Bomb scare or Unlawful Occupation

This Section extends to include interruption of or interference with the Business due to

- a) the suspected or actual presence of an incendiary or explosive device on or in the vicinity of the Premises
- b) occupation of the Premises or other property in the vicinity by members of a terrorist or criminal organisation or other unlawful occupants

Provided the Company will not be liable for

- i) any incident involving an interruption of less than 48 hours duration
- ii) any period other than the actual period of prevention or hindrance of access to the Premises
- iii) eviction costs

The insurance by this Clause shall only apply for the period beginning with 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

### Buildings Awaiting Sale

If at the time of the DAMAGE the Insured shall have contracted to sell their interest in the Premises or shall have accepted an offer in writing to purchase their interest in the Premises subject to contract and the sale is cancelled or delayed solely in consequence of the DAMAGE

Provided that the Insured shall make all reasonable efforts to complete the sale of the Premises as soon as practicable after the DAMAGE the Insured may opt for the amount payable by the Company to be as follows

- i) during the period prior to the date upon which but for the DAMAGE the Premises would have been sold

the loss of Rent Receivable being

the actual amount of the reduction in Rent Receivable solely in consequence of the DAMAGE

- ii) during the period commencing with the date upon which but for the DAMAGE the Premises would have been sold and ending with the actual date of sale or with 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 part the loss of use of the sale proceeds) for the purpose of financing the Business
- b) the investment interest lost to the Insured on any balance of the sale proceeds (after deduction of any capital borrowed as provided under a)

less any amount receivable in respect of Rent Receivable

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

**Capital Additions**

This Section extends to include Rent Receivable 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 20% of the total Sum Insured on Rent Receivable or £250,000 whichever is the less
- ii) the Insured undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the Companys liability
- iii) the provisions of this Clause shall be fully maintained notwithstanding any specific insurance effected under (ii) above

**Denial of Access and Loss or Damage at Managing Agents Premises**

Subject to the conditions of the Policy loss resulting from interruption of or interference with the Business in consequence of DAMAGE

- a) to property in the vicinity of the Premises destruction of or damage to which shall prevent or hinder the use of the Premises or access thereto whether the Premises or property of the Insured therein shall be damaged or not (but excluding loss destruction of or damage to property of any supply undertaking from which the Insured obtain electricity gas or water or telecommunications services which prevent or hinder the supply of such services)
- b) to property at the premises of the Insureds Managing Agents

shall be deemed to be loss resulting from DAMAGE to property used by the Insured at the Premises

**Empty Buildings**

Where Rent Receivable is insured in respect of any Empty buildings in the event of DAMAGE the Insured must show that but for the DAMAGE Rent Receivable would have been earned and will be required to support a claim for loss of Rent Receivable by submitting reasonable evidence of the amount of Rent Receivable and the date from which it would have been earned

The Company will have regard

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

If required the advice of a professional valuer acceptable to both the Insured and Company will be sought and such fees will be included in the indemnity under this Clause

**Failure of Public Supply**

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

**Loss of Attraction**

This Section extends to include loss resulting from interruption of or interference with the Business due to DAMAGE to property in the vicinity of the Premises which shall deter potential tenants whether the Premises of the Insured or property of the Insured therein shall be damaged or not Provided that the maximum amount payable under this Clause in any Period of Insurance shall not exceed

- a) £50,000 or the Sum Insured in respect of each Premises whichever is the less
- b) £250,000 in aggregate

**Loss of Investment Income due to Late Payment of Rent**

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

**Murder Suicide or Disease Cover Amendment Clause (2007)**

The Company shall indemnify the Insured in respect of DAMAGE resulting from interruption of or interference with the Business during the Indemnity Period following

- a) The occurrence of any of the following specified human infections or human contagious diseases:

- Acute Encephalitis
- Acute Poliomyelitis
- Anthrax
- Chicken Pox
- 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
- Yellow Fever

Manifested by any person whilst in the Premises to within a 25 mile radius of it

- b) Murder or suicide in the Premises
- c) Injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided in the Premises
- d) Vermin or pests in the Premises
- e) The closing of the whole or part of the Premises by order of a competent public authority consequent upon defect in the drains or other sanitary arrangements at the Premises

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

**New Business Clause**

For the purpose of any claim arising from DAMAGE occurring before the completion of the first years trading of the Business at the

Premises Definitions Annual Rent Receivable and Standard Rent Receivable shall bear the following meanings and not as within stated

*Annual Rent Receivable*

The proportional equivalent for a period of twelve months of the Rent Receivable realised during the period between the commencement of the Business and the date of the DAMAGE

*Standard Rent Receivable*

The proportional equivalent for a period equal to the Indemnity Period of the Rent Receivable realised during the period between the commencement of the Business and the date of the DAMAGE

To which 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

**Payments on Account**

In the event of loss the Company will make monthly payments on account during the Indemnity Period to the Insured if desired

**Professional Accountants and Legal Fees**

The Company will indemnify the Insured in respect of reasonable fees payable by the Insured

- i) to their professional accountants for producing any particulars or details contained in the Insureds business books or documents or other such proofs information or evidence as the Company may require under the terms of Condition 4c) and reporting that such particulars or details are in accordance with the Insureds business books or documents

- ii) to their lawyers for determining their contractual rights under any Rent cessor clause or insurance break clause contained in the lease but not for any other purposes in the preparation of any claim

**Rent Review**

Where the Rent Receivable is subject to a Rent Review during the Period of Insurance then the Sum Insured by this Section will be automatically increased to reflect the revised Rent Receivable earned

Extra premium will not be charged for such increase in cover during the Period of Insurance provided that the Insured shall prior to renewal advise the Company of the revised Rent Receivable for the ensuing year of insurance

**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 years shown in the Schedule provided that the Company's liability does not exceed the Sum Insured or any Limit of Liability stated in the Policy whichever is the lower

**Sale of Property Insured**

If at the time of DAMAGE to the Premises the Insured shall have contracted to sell the interest of the Insured in such building 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 Rent Receivable are not otherwise insured by or on behalf of the purchaser against such DAMAGE shall be entitled to the benefits of this Section of the Policy so far as it relates to such DAMAGE without prejudice to the rights and liabilities of the Insured or the Company under this Section up to the date of completion

**Value Added Tax**

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

**Reinstatement of Sum Insured**

In the event of loss the Sum Insured by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the Company or by the Insured and the Insured undertake to pay such necessary premiums as may be required for such reinstatement from that date

## Section 3

### **Public Liability**

---

#### **Indemnity**

The Company will Indemnify the Insured against all sums the Insured shall become legally liable to pay as damages and claimants costs and expenses arising out of accidental

- a) injury to any person
- b) loss or damage to material property
- c) obstruction trespass nuisance or interference with any right of way air light or water or other easement
- d) wrongful arrest detention imprisonment or eviction of any person or invasion of the right of privacy

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

#### **Limit of Liability**

The liability of the Company 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 stated in the Schedule

In addition the Company will pay

- 1 all other costs and expenses incurred with its written consent
- 2 the legal costs and expenses incurred with its written consent for the defence of prosecution brought under the Health and Safety at Work etc Act 1974 for any alleged offence or under the Health and Safety at Work (Northern Ireland) Order 1978 including legal costs and expenses incurred with the consent of the Company 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) the Company will not indemnify the Insured in respect of
    - i) fines and penalties

- ii) costs or expenses insured by any other policy

### **Clauses**

---

#### **Contractual Liability**

In connection with liability assumed under agreement this Section

- a) shall apply only if the conduct and control of claims is vested in the Company
- b) shall not apply in respect of liquidated damages fines or penalties

#### **Cross Liabilities**

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 the liability of the Company 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

#### **Discharge of Liability**

The Company may pay the Limit of Indemnity or any lesser amount for which any claim or claims against the Insured can be settled and the Company shall be under no further liability in respect of such claim or claims except for costs or expenses incurred prior to the date of such payment

### **Extensions**

---

#### **Additional Persons Insured**

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 incurred by such deceased person

At the request of the Insured the Company 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) the Company shall retain the sole conduct and control of all claims

**Compensation for Court Attendance**

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured are entitled to indemnity under this Section the Company 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 of the Insured                      £100
- b) any Employee                      £50

**Data Protection Act**

The Company will indemnify the Insured in respect of liability arising under the Data Protection Act 1998 to pay compensation for damage or distress

Provided that

- a) the process of registration under the above Act has been commenced or completed by the Insured 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 Data Processor

The Company 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

The total liability of the Company including all costs and expenses in this respect shall not exceed £250,000 during any one Period of Insurance

For the purposes of this Extension the phrases or words 'Data Processor' and 'Data' shall carry the same meaning as defined under the Data Protection Act 1998

**Defective Premises Act**

This Section subject otherwise to the terms of the Policy extends to indemnify the Insured 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 the Insured provided that –

- 1 this extension shall not indemnify the Insured 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 the Company will not be liable under this extension if the Insured are entitled to indemnity under any other insurance

**Overseas Personal Liability**

The Company will indemnify the Insured and if the Insured so request any director or partner of the Insured any Employee or spouse 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 in connection with the Business

The indemnity will not apply

- a) to legal liability arising out of the ownership or occupation of land or buildings
- b) in respect of which any person referred to above is entitled to indemnity under any other insurance

**Manslaughter Costs Extension**

The indemnity provided by this Section extends to include

- a) Legal costs and expenses incurred by the Insured or any person entitled to indemnity with the prior written consent of the Company in
  - I. the course of an investigation leading to the offence of
  - II. defending the Insured against criminal proceedings in connection with a charge of
  - III. an appeal against any conviction resulting from a prosecution for  
manslaughter corporate manslaughter  
corporate homicide or culpable homicide as a result of any death happening during the Period of Insurance which may be the subject of indemnity under the Policy
- b) prosecution costs awarded against the Insured or any person entitled to indemnity as a result of any conviction for such an offence
- c) an appeal unless advice has been obtained from a Queen's Counsel that such appeal has strong prospect of success
- d) an appeal against any fine penalty remedial order or publicity order
- e) costs incurred as a result of the failure to comply with any remedial order or publicity order
- f) costs and expenses insured by any other policy
- g) any investigation or prosecution brought other than under the laws of Great Britain Northern Ireland the Channel Islands or the Isle of Man

Provided always that

- 1) The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one Period of Insurance
- 2) The Company shall not be liable to make any payment under this Extension in respect of
  - a) the fees of any solicitor or counsel appointed by or on behalf of any person entitled to indemnity unless consent to the appointment has been agreed by the Company
  - b) fines or penalties or the cost of implementing any remedial order or publicity order

## Section 4

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

### **Employers Liability**

#### **Indemnity**

The Company will indemnify the Insured against all sums that the Insured shall become legally liable to pay as damages together with costs and expenses shown below in respect of Injury sustained within the Territorial Limits during the Period of Insurance by any Employee arising out of and in the course of his/her employment by the Insured in the Business

#### **Limit of Indemnity**

The liability of the Company under this Section for damages costs and expenses payable in respect of any one claim against the Insured or series of claims against the Insured arising out of one event shall not exceed the amount stated in the Schedule

Costs and expenses shall be deemed to mean –

- 1 costs and expenses of claimants for which the Insured is legally liable
- 2 other costs and expenses incurred with the Companys written consent in respect of any claim which may be the subject of indemnity under this Section
- 3 solicitors fees incurred with the Companys written consent for
  - a) defence in any Court of Summary Jurisdiction of any proceedings brought against the Insured in respect of breach or alleged breach of any statutory duty resulting in Injury
  - b) representation at a Coroners Court or Fatal Accident Inquiry in respect of any death

which may be subject to indemnity under this Section

- 4 legal costs and expenses incurred by the Insured and at the request of the Insured any director or Employee with the Companys written consent and costs awarded against the Insured or director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that
  - a) the proceedings relate to the health safety or welfare of Employees
  - b) the Company will not indemnify the Insured in respect of
    - i) fines or penalties
    - ii) costs and expenses insured by any other policy

#### **Right of Recovery**

This 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 Ireland the Channel Islands or the Isle of Man but the Insured shall repay to the Company all sums paid by the Company which the Company would not have been liable to pay but for the provisions of such law

## **Extensions**

### **Additional Persons Insured**

- a) In the event of the death of any person entitled to indemnity under this Section the Company will indemnify in the terms of this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person
- b) At the request of the Insured the Company will indemnify in the terms of this Section
  - a) i) any principal in respect of liability arising out of the performance by the Insured of any agreement entered into by the Insured with the principal to the extent required by such agreement
  - ii) any director of the Insured or Employee in respect of liability arising in connection with the Business

Provided that the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

- b) i) any officer committee or member of the Insureds canteen sports social or welfare organisations fire security first aid medical or ambulance services in their respective capacities as such
- ii) any director or senior official of the Insured in respect of private work undertaken by any Employee for such director or senior official

Provided that

- i) each person shall as though he were the Insured observe fulfil and be subject to the terms of this Section insofar as they can apply
- ii) the Company shall retain the sole conduct and control of all claims

### **Compensation for Court Attendance**

In the event of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured is entitled to indemnity under this Section the Company 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 of the Insured £100
- b) any Employee £50

### **Unsatisfied Court Judgements**

In the event of Injury to an Employee sustained during the Period of Insurance and arising out of his/her employment by the Insured in the course of the Business which results in a judgement for damages being obtained by such Employee or his/her personal representatives and which remains unsatisfied in whole or in part six months after the date of such judgement the Company will at the request of the Insured pay to the Employee or his/her personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that

- a) the judgement for damages is obtained
  - i) in a court of law within Great Britain Northern Ireland the Channel Islands or the Isle of Man
  - ii) against a company partnership or individual other than the Insured conducting a business at or from premises within the territories described in (a) (i) above
- b) there is no appeal outstanding
- c) this judgement relates to Injury which would otherwise be within the terms of the Policy
- d) if any payment is made under the terms of this extension the Employee or the personal representatives of the Employee shall assign the judgement to the Company

**Manslaughter Costs Extension**

The indemnity provided by this Section extends to include

- a) Legal costs and expenses incurred by the Insured or any person entitled to indemnity with the prior written consent of the Company in
  - I. the course of an investigation leading to the offence of
  - II. defending the Insured against criminal proceedings in connection with a charge of
  - III. an appeal against any conviction resulting from a prosecution for manslaughter corporate manslaughter corporate homicide or culpable homicide as a result of any death happening during the Period of Insurance which may be the subject of indemnity under the Policy
- b) prosecution costs awarded against the Insured or any person entitled to indemnity as a result of any conviction for such an offence
- c) an appeal unless advice has been obtained from a Queen’s Counsel that such appeal has strong prospect of success
- d) an appeal against any fine penalty remedial order or publicity order
- e) costs incurred as a result of the failure to comply with any remedial order or publicity order
- f) costs and expenses insured by any other policy
- g) any investigation or prosecution brought other than under the laws of Great Britain Northern Ireland the Channel Islands or the Isle of Man

Provided always that

- 1) The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one Period of Insurance
- 2) The Company shall not be liable to make any payment under this Extension in respect of
  - a) the fees of any solicitor or counsel appointed by or on behalf of any person entitled to indemnity unless consent to the appointment has been agreed by the Company
  - b) fines or penalties or the cost of implementing any remedial order or publicity order

## Section 5

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

### **Terrorism Insurance**

In consideration of the payment of the Premium in respect of the Period of Insurance the cover provided under Sections 1 and 2 of this policy is extended to include DAMAGE occasioned by or happening through or in consequence of Terrorism as hereinafter defined for the purposes of this Section 5

Terrorism is defined for the purposes of this Section 5 only as

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

Provided always that the insurance provided by this Section 5 is subject to the following exclusions

#### **1) War Risks exclusion**

This insurance does not cover damage occasioned by or happening through riot civil commotion war invasion act of foreign enemy hostilities (whether war is declared or not) civil war rebellion revolution insurrection or military or usurped power

#### **2) Electronic Risks Exclusion**

This insurance does not cover any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- a) the alteration modification distortion corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) or

- b) any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item

whether the property of the Insured or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack

For the purposes of this exclusion the following definitions shall apply

#### **Denial of Service Attack**

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

#### **Hacking**

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether the property of the Insured or not

#### **Phishing**

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

#### **Virus or Similar Mechanism**

Virus or Similar Mechanism means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether

involving self-replication or not The meaning of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs

**3) Excluded Property**

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from loss destruction or damage in respect of

- a) any property located outside England Wales and Scotland or in the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987
- b) any nuclear installation or nuclear reactor
- c) any property which is specifically excluded elsewhere in this Policy
- d) any property which is insured by or would but for the existence of this Policy be insured by any form of transit aviation or marine policy

This Terrorism Section is subject to the following terms and conditions

- 1 In any action or other proceedings where the Company alleges that any damage is not covered by this Terrorism Section the burden of proving that such damage is covered shall be upon the Insured
- 2 The Companys liability in respect of all losses arising out of any one occurrence and in the aggregate in any one Period of Insurance shall not exceed the total Sums Insured or for any item its individual Sum Insured or any other Limit of Liability under this Policy
- 3 The insurance provided by this Terrorism Section is subject otherwise to all the terms definitions conditions and provisions of this Policy

## Policy Exclusions

### Section One and Two

The insurance by these Sections does not cover

- 1 Damage caused by or consisting of
  - a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
  - b) the bursting by steam pressure of a boiler economiser vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured other than
    - in respect of Section 1 – a boiler used for domestic purposes only
    - in respect of Section 2 – any boiler or economiser on the Premises or a boiler used for domestic purposes only
  - c) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

But this shall not exclude subsequent DAMAGE or subsequent loss resulting from DAMAGE which itself results from a cause not otherwise excluded
- 2 Damage caused by or consisting of
  - a) faulty or defective workmanship operational error or omission on the part of the Insured or any of his Employees

but this shall not exclude

  - i) such DAMAGE not otherwise excluded which itself results from a Defined Peril
  - ii) subsequent DAMAGE which itself results from a cause not otherwise excluded- b) acts of fraud or dishonesty by the Insureds Employees

but this shall not exclude such DAMAGE not otherwise excluded which itself results from a Defined Peril

- 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
  - 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 or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originates
  - e) in respect of Section 2 – the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunication services

But this will not exclude

- i) such DAMAGE not otherwise excluded which itself results from a Defined Peril or from any other accidental loss destruction or damage
  - ii) subsequent DAMAGE which results from a cause not otherwise excluded
- 4 Infidelity or dishonesty of the Insured or any of their Employees or other persons to whom Property Insured may be entrusted nor loss destruction or damage resulting from the Insured voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme trick device or false pretence or any unexplained loss or loss or shortage disclosed on taking inventory



- 5 a) in respect of Section 1  
 loss or destruction or damage caused by pollution or contamination but this shall not exclude destruction of or damage to the Property Insured not otherwise excluded caused by
- i) pollution or contamination which itself results from a Defined Peril
  - ii) a Defined Peril which itself results from pollution or contamination
- b) in respect of Section 2  
 loss resulting from pollution or contamination but this shall not exclude loss resulting from destruction of or damage to property used by the Insured at the Premises for the purpose of the Business not otherwise excluded caused by
- i) pollution or contamination at the Premises which itself results from a Defined Peril
  - ii) a Defined Peril which itself results from pollution or contamination
- 6 Damage caused by or consisting of
- a) subsidence ground heave or landslip unless resulting from fire explosion earthquake or the escape of water from any tank apparatus or pipe
  - b) normal settlement or bedding down of new structures
- 7 Damage caused by or consisting of or arising directly or indirectly from
- a) disappearance unexplained or inventory shortage misfiling or misplacing of information
  - b) in respect of Section 2
    - i) erasure loss distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons
    - ii) other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from a Defined Peril insofar as it is not otherwise excluded
- 8 a) in respect of Section 1  
 destruction of or damage to a building or structure caused by its own collapse or cracking
- b) in respect of Section 2  
 loss resulting from destruction of or damage to a building or structure used by the Insured at the Premises caused by its own collapse or cracking
- unless resulting from a Defined Peril in so far as it is not otherwise excluded
- 9 Damage in respect of movable property in the open fences and gates by wind rain hail sleet snow flood or dust
- 10 Damage in respect of
- a) glass (other than fixed glass) china earthenware marble or other fragile or brittle objects
  - b) in respect of Section 1 – curiosities or works of art
- other than such damage caused by a Defined Peril and not otherwise excluded
- 11 Unless specifically mentioned as insured under Section 1
- a) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
  - b) land roads pavements piers jetties bridges culverts or excavations
  - c) trees or growing crops

- 12 In respect of Section 1 – property which at the time of the happening of damage is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- 13 In respect of Section 1 – any property more specifically insured by or on behalf of the Insured
- 14 Any claims caused by or happening through war invasion act of foreign enemy hostilities (whether war is declared or not) civil war civil rebellion warlike operations revolution insurrection or military or usurped power confiscation nationalisation requisition seizure or destruction or damage to property by or under the order of any government or public or local authority
- 15 Damage or any other 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) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- 16 Loss damage cost or expense of whatsoever nature directly or indirectly caused by or resulting from or in connection with
- a) For England Scotland Wales the Channel Islands and the Isle of Man
- i) any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- ii) any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
- b) For Northern Ireland
- i) any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- ii) any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
- iii) riot civil commotion and (except for damage or loss caused by fire or explosion) strikers locked out workers or persons taking part in labour disturbances or malicious persons
- If the Company alleges that by reason of this exclusion any loss damage cost or expense is not covered by these Sections of the Policy the burden of proving the contrary shall be upon the Insured
- In the event any portion of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect
- Definition – Terrorism**  
For England Scotland and Wales Terrorism is defined as acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's Government in the United Kingdom or any other government de jure or de facto
- For Northern Ireland Terrorism is defined as an act including but not limited to the use of force or violence and or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention

to influence any government and or put the public or any section of the public in fear

For the Channel Islands and the Isle of Man Terrorism is defined as an act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing by force or violence of any government de jure or de facto

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

- a) the alteration modification distortion corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) or
- b) any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item

whether the property of the Insured or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack

but this shall not exclude subsequent DAMAGE or consequential loss not otherwise excluded which itself results from a Defined Peril except for DAMAGE caused by malicious persons other than thieves

For the purposes of this Section Exclusion the following Definitions apply

- a) Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks
- b) Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether the property of the Insured or not
- c) Phishing means access or attempted access to data or information made by means of misrepresentation or deception
- d) Virus or Similar Mechanism means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not The meaning of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs

### **Sections One Two and Three**

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

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

but this shall not exclude in respect of Sections 1 (Buildings) and 2 (Rental Income) subsequent DAMAGE not otherwise excluded which itself results from a Defined Peril

### **Section Three**

Under this Section the Company shall not be liable for any claim in respect of

- 1 Injury to any Employee
- 2 Loss of or damage to
  - a) property belonging to the Insured
  - b) property which is leased let rented hired or lent to or which is the subject of a bailment to the Insured

- 3 Injury loss or damage caused by or in connection with or arising out of the ownership possession or use by or on behalf of the Insured of any
  - a) aircraft hovercraft or watercraft
  - b) mechanically-propelled vehicle or trailer attached thereto (other than motorised garden implements used to maintain the land belonging to the premises described in the Schedule)
- 4 Any consequence whether direct or indirect of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- 5 Any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from
  - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- 6 Liability for Pollution or Contamination other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance

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

The liability of the Company for all damages payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the Limit of Indemnity stated in the Schedule

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

i) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere

and

ii) all loss or damage or injury directly or indirectly caused by such Pollution or Contamination

7 The insurance provided by Section 3 of this Policy is subject to the following Terrorism Limitations

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

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

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

#### **Section Four**

1 So far as concerns the liability of any principal or liability assumed by the Insured under agreement and which would not have attached in the absence of such agreement this Section shall not apply to any liability of whatsoever nature directly or indirectly caused by or contributed to or arising from

a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

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

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

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

## Special Clauses

*Applicable only if the Clause numbers are entered in the Schedule*

### **1 Subsidence Ground Heave and Landslip**

Notwithstanding Exclusions 6(a) and 6(b) the insurance by Sections 1 and 2 extends to cover DAMAGE caused by Subsidence or Ground Heave of any part of the site on which the property stands or Landslip excluding

- a) the first £1,000 of each and every loss in respect of Section 1 at each separate premises as ascertained after the application of any Condition of Average
  - b) DAMAGE to yards car parks roads pavements walls gates and fences unless also affecting a building insured hereby
  - c) DAMAGE caused by or consisting of
    - i) the normal settlement or bedding down of new structures
    - ii) the settlement or movement of made-up ground
    - iii) coastal or river erosion
    - iv) defective design or workmanship or the use of defective materials
    - v) fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe
  - d) DAMAGE which originated prior to the inception of this cover
  - e) DAMAGE resulting from
    - i) demolition construction structural alteration or repair of any property
- or
- ii) groundwork or excavation at the premises

### **Special Conditions**

Insofar as this insurance relates to DAMAGE caused by Subsidence Ground Heave or Landslip

- a) The Insured shall notify the Company immediately they become aware of any demolition groundworks excavation or construction being carried out on any adjoining site
- b) The Company shall then have the right to vary the terms or cancel this cover

### **2 Temporary Cover**

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

### **3 Long Term Undertaking**

The discount shown in the Schedule is allowed off the net premiums on this Policy in consideration of the Insured having given an undertaking expiring on the date stated in the Schedule to offer annually the insurance under this Policy on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premium annually in advance it being understood that

- a) the Company shall be under no obligation to accept an offer made in accordance with the above-mentioned undertaking
- b) where appropriate the Sum Insured may be reduced at any time to correspond with any reduction in value/rental income

The above-mentioned undertaking applies to any policy (or policies) which may be issued by the Company in substitution for this Policy and the same discount shall be allowed off the net premiums on any substituted policy or policies issued by the Company

Payment of the premium due at the expiry date shown in the Schedule shall be deemed acceptance by the Insured of the terms of this clause

#### **4 Failure of Other Insurances**

The insurance by Sections 1 and 2 extends to cover

- a) DAMAGE to Buildings
- b) loss of Rent Receivable following DAMAGE to buildings

in which the Insured has an insurable interest but under the terms of the lease the responsibility for arranging adequate insurance cover rests with a third party lessee or third party lessor

Provided that

- a) a valid enforceable lease is in force
- b) the Insured could not have prevented such failure
- c) this Extension shall only apply
  - i) in the event of failure of the third party's insurance and then only for the excess beyond the amount payable under such insurance
  - ii) in respect of claims arising directly from a contingency specified in the lease but in no case greater in scope than the cover provided by this Policy
- d) at any one Premises this cover shall not exceed
  - i) in respect of Section 1  
20% of the total Sum Insured by the Section but in no case exceeding £2,000,000
  - ii) in respect of Section 2  
20% of the total Sum Insured or £250,000 whichever is the less

Further it is a condition of the insurance by each Section that

- 1 the Insured has procedures in place to check that lessees or lessors have effected and maintain adequate insurance cover including any Terrorism cover

- 2 on discovery of a failure to insure or to insure for reinstatement value the Insured shall immediately effect adequate insurance cover including against Terrorism where they have elected to take Terrorism cover
- 3 subrogation rights are not waived in respect of damage caused by Terrorism

## Policy Conditions

### **1 Alteration**

---

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

- 1) to the Business
- 2) in the person firm company or organisation shown in Your Schedule as the Insured
- 3) to the information You provided to Us previously or any new information that increases the risk of loss as insured under any section of Your Policy

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

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

### **2 Arbitration**

---

If any difference shall arise as to the amounts to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Company

This condition does not apply to the Public Liability Section or the Employers Liability Section

### **3 Cancellation**

---

- 1) You may cancel Your Policy within 14 days of receiving Your Policy in the first Period of Insurance if for any reason You are dissatisfied or the Policy does not meet Your requirements

- 2) You may cancel Your Policy at any time if the Business is sold by You or You cease trading or You sell all the property insured shown in Your Schedule
- 3) We can cancel Your Policy
  - a) at any time by giving 21 days written notice to Your last known address
  - b) immediately without giving You notice if the premium has not been paid to Us

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

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

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

### **4 Claims Notification Condition**

---

You must

- 1) As soon as practical
  - a) give Us notice of any circumstances which might lead to a claim under Your Policy
  - b) give Us all the information We request
- 2) Immediately
  - a) on receipt send Us every letter court order summons or other legal document served upon You
  - b) tell Us about any prosecution inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential claim under Your Policy
  - c) notify the police of any loss or damage that has been caused by malicious persons thieves rioters strikers or vandals



## **5 Claims Procedures Condition**

- 1) You must take or allow others to take practical steps to prevent further injury loss or damage recover property lost and otherwise minimise the claim
- 2) At Your expense You must provide Us with
  - a) full details in writing of any injury loss or damage and any further information or declaration We may reasonably require
  - b) any assistance to enable Us to settle or defend a claim
  - c) details of any other relevant insurances
- 3) You may not accept negotiate pay settle admit or repudiate any claim without Our written consent
- 4) Following a claim You must allow Us or anyone authorised by Us
  - a) access to premises
  - b) to take possession of or request delivery to Us of any property insured
- 5) You may not abandon any property to Us
- 6) We will be allowed complete control of any proceedings and settlement of the claim

## **6 Contracts (Rights of Third Parties) Act**

The parties to this contract do not intend that any clause or term of this contract should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this contract

## **7 Fraud**

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

If You or anyone acting for You

- 1) Knowingly makes a fraudulent or exaggerated claim under Your Policy
- 2) Knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine) or
- 3) Knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine)

We will

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

We may also inform the police of the circumstances

## **8 Identification**

This Policy and the Schedule (which forms an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule shall bear such specific meanings wherever they may appear

## **9 Instalments**

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

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

## **10 Fair Presentation of Risk**

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

- 1) If the failure to make a fair presentation of the risk is deliberate or reckless We can elect to make Your Policy void and keep the premium This means treating the Policy as if it had not existed and that We will not return premiums paid to Us or
- 2) If the failure to make a fair presentation of the risk is not deliberate or reckless and We would not have provided cover had You made a fair presentation then We can elect to make Your Policy void and return premiums paid by You to Us or

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

### **11 Conditions Precedent**

---

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

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

### **12 Contribution and Average**

---

#### **a) Applicable to Section 1 – Buildings and Section 2 – Rental Income**

If at the time of any DAMAGE there is any other insurance effected by or on behalf of the Insured covering any of the property damaged the liability of the Company hereunder shall be limited to its rateable proportion of such DAMAGE

If any other insurance shall be subject to any average (under insurance) condition this Section if not already subject to any Condition of Average shall be subject to Average in like manner

If a claim is made under these Sections and there is other insurance cover for which You are or would be but for these Sections entitled to have a claim paid under the other insurance We will at Our option either pay

- 1) a proportionate share of the claim or
- 2) an amount beyond that which is or would be payable under other insurance

#### **b) Applicable to Sections 3 and 4 – Public Liability and Employers Liability**

The Company will not indemnify the Insured in respect of liability which is insured by or would but for the existence of the Section be insured by any other policy except in respect of any excess beyond the amount payable under such other policy had this insurance not been effected

### **13 Policy Administration Fees Condition**

---

We may charge You an administration fee if We

- a) make any changes to the Policy on Your behalf
- b) agree to cancel the Policy, or
- c) are requested to print and re-send the Policy documents to You.

We will not make a charge without informing You.

### **14 Reasonable Care**

---

You must take reasonable steps to

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

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

### **15 Reinstatement**

---

If any property insured by Section 1 is to be reinstated or replaced by the Company the Insured shall at their own expense provide all such plans documents books and information as may be reasonably required The Company shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than its Sum Insured

### **16 Subrogation (our rights)**

---

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

- 1) the defence or settlement of any claim
- 2) steps to enforce rights against any other party before or after payment is made by Us

### **17 Sanctions Condition**

---

This contract of insurance is subject to sanction prohibition or restriction under United Nations resolutions It is a condition of Your policy that We will not provide cover or pay any claim or provide any benefit under Your policy to the extent that the provision of such cover payment of such claim or provision of such benefit would expose Us or Our parent subsidiary or any AXA group member company to any trade or economic sanctions or violate any laws or regulations of the United Kingdom the European Union the United States of America or any other territory

## Making a Complaint

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

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

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

### **How to make Your complaint**

---

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

### **Alternatively You can write to Us at**

---

AXA Insurance

Commercial complaints

AXA House

4 Parklands

Lostock

Bolton

BL6 4SD

Tel: 01204 815359

Email:

commercial.complaints@axa-insurance.co.uk

When You make contact please tell Us the following information:

- Name address and postcode, telephone number and e-mail address (if You have one)
- Your policy and/or claim number, and the type of policy You hold

- The name of Your insurance agent/firm (if applicable)

- The reason for Your complaint

Any written correspondence should be headed 'COMPLAINT' and You may include copies of supporting material

### **Beyond AXA**

---

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

The FOS is an independent body that arbitrates on complaints about general insurance products. The FOS can only consider Your complaint if We have given You Our final decision

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

Financial Ombudsman Service  
Exchange Tower  
Harbour Exchange Square  
London  
E14 9SR

Tel: 0800 023 4567\*

Tel: 0300 123 9123\*\*

Fax: 020 7964 1001

Email:

complaint.info@financial-ombudsman.org.uk

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

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

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

### **Our promise to You**

---

We will

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

Telephone calls may be monitored and recorded

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

---

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

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

---

### **Legal and tax advice complaints**

---

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

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

Tel: 0344 770 9000

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

PO Box 6806  
Wolverhampton  
WV1 9WJ

Tel: 0300 555 0333

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

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

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

AXA is a world leader in wealth management and financial protection. We operate in over 50 countries and serve more than 50 million customers worldwide. We cater to a wide range of needs, providing advice and guidance to our individual and corporate customers on a variety of financial products and services. In addition to Business, Motor and Home Insurance we also offer Investments, Life Assurance, Retirement Planning, Long Term Care, Asset Management, Medical Insurance and Dental Payment Plans

**With our expertise and commitment to customer service and consistent, quality care, you can rely on AXA for lasting security**

**ASK ABOUT AXA'S EXCELLENT RANGE OF BUSINESS,  
HOME AND MOTOR INSURANCE PRODUCTS**

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



**AXA Insurance UK plc**  
Registered in England and Wales No 78950.  
Registered Office: 5 Old Broad Street, London EC2N 1AD. A member of the AXA Group of Companies. AXA Insurance UK plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Telephone calls may be monitored and recorded.

**redefining / standards**



WPR914R/P- D (06/16) (64298)