



# Property damage section - All risks

## Contents of this section

Meanings of defined terms	1
What is covered	5
What is not covered	13
Section conditions	17
Specific section conditions and covers	22

**Your** schedule will show if this section is covered.

## Meanings of defined terms

These meanings apply within **your** Property damage section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section, can be found in the General introduction section of **your policy**.

## Alarmed buildings

The building(s) or those portions of the building(s) used by **you** at the **premises** protected by the **intruder alarm system**.

## Building(s)

The buildings, outbuildings, extensions, and garages together with landlords fixtures and fittings in or on them, foundations or footings, canopies, annexes, gangways, conveniences, chimneys, fire escapes, walls, gates and fences, yards, car parks, roads and pavements, piping, ducting, cables, wires and associated control gear, CCTV systems, entry and exit systems signage, accessories and electric vehicle chargepoints fixed to **your** building(s), their tethered cables and connectors on the **premises** and extending to the public mains, but only to the extent of **your** responsibility.

## Business interruption

Loss, cost or expense resulting from interruption of or interference with the **business** carried on by **you** at the **premises** as a result of any loss destruction or damage to property used by **you** at the **premises** for the purposes of the **business**.

### Communicable disease

Any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- 1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- 2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- 3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

### Computer systems

Computer or other equipment or component or system or item which processes, stores, transmits or receives **data**.

### Contents

Contents in and at **your premises** or held in trust by **you** for which **you** are responsible (including wines, spirits, cigarettes and tobacco held for entertainment purposes, promotional materials, leaflets and the like but not more than £5,000 in total value). Contents does not include landlords fixtures and fittings, **stock** and vehicles licensed for road use (including accessories on them).

In addition, and as long as they are not insured elsewhere, **contents** will include

- 1 **money** not exceeding £500
- 2 documents, manuscripts and accounting records, but only for the cost of the materials and clerical labour used in recompiling the records. This does not include any expense involved in the recreation of the information recorded
- 3 computer systems records, but only for the cost of the materials and clerical labour and computer time used in recompiling

the records. This does not include any expense involved in the recreation of the information recorded

- 4 patterns, models, moulds, plans and designs for an amount not exceeding the cost of the labour and materials used in their reinstatement
- 5 contents of outbuildings
- 6 contents of open yards
- 7 tenants improvements, alterations and decorations
- 8 directors, partners, customers, visitors and employees' personal effects (other than motor vehicles and **money**) not exceeding £1,000 for any one person.

### Contract works

The permanent and temporary works undertaken by **you** or on **your** behalf for the purpose of alteration or improvement to the **building(s)**. This includes all unfixed materials and goods for which **you** are responsible, and whether supplied free of charge or not, delivered to or placed on or adjacent to the permanent and temporary works and intended for incorporation in them, in performance of the contract at the **premises** specified in **your** schedule. This does not include any tools, contractor's plant and equipment, site huts and other temporary accommodation and their contents belonging to **you** or hired by **you** under a hiring agreement, hire purchase, lease agreement or on a free loan.

### Cyber act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious and criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **computer systems**.

### Cyber incident

- 1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **computer systems**; or

## Property damage section – All risks *continued*

- 2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **computer systems**.

### Damage

Physical loss or destruction or damage.

### Data

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

### Declared value

Your assessment in accordance with the Basis of claims settlement paragraphs 1, 2 and 4 under 'What is covered' of this section, for the cost of reinstatement of the **building(s)** and cost of replacement of the **contents** or **other items** applying at the start of the **period of insurance**. Ignoring any increase in cost which may apply during the **period of insurance** but including an allowance for any additional costs to comply with public authority requirements, professional fees and debris removal.

### Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, **storm**, **flood**, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal.

### Denial of service attack

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

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

### Flood

Damage caused by

- 1 the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam.
- 2 inundation from the sea.
- 3 inundation by rainwater or rainwater-induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building.

whether resulting from storm or not.

### Hacking

Unauthorised access to any **computer systems**, whether **your** property or not.

### Hot work

Any temporary operation or work undertaken outside a designated and risk assessed workshop involving the use of naked flame, production of heat or sparks such as but not limited to

- 1 oxyacetylene, electric arc or similar welding, cutting, grinding (including abrasive disks) or similar spark emitting equipment
- 2 blow lamp, blow torch, thermal lance, hot air gun or hot air stripper
- 3 asphalt, bitumen, tar or pitch heater
- 4 braising or soldering
- 5 a process which may produce frictional heat, spark or flame
- 6 any other heat source.

### Intruder alarm system

The component parts including the means of communication used to transmit signals to the alarm-receiving centre.

### Key holder

**You** or any person or key holding company authorised by **you**, who is available at all times to accept notification of faults to or alarm signals from the **intruder alarm system** and to attend and allow access to the **premises**.

### Money

Bills of exchange, uncrossed promissory notes, cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated giro cheques, uncrossed postal orders, uncrossed money orders, uncrossed warrants, current postage stamps, unused units in franking machines, National Savings stamps and certificates, National Insurance stamps, trading stamps, gift tokens, gaming machine tokens, lottery tickets (excluding scratch cards held in stock for resale), customer redemption vouchers, authenticated travel tickets, phone cards (excluding phone cards held in stock for resale), holiday with pay stamps, luncheon vouchers, securities for money, travel warrants, crossed warrants, credit company sales vouchers, debit card sales vouchers, crossed cheques, crossed giro drafts, crossed postal orders, crossed money orders, crossed national giro bank orders, crossed promissory notes, crossed bankers drafts, premium bond certificates, VAT purchase receipts, credit card counterfoils, premium bonds, savings bonds, stamped National Insurance cards and National savings certificates.

### Non-standard construction

Constructed of materials other than those detailed in the meaning of **standard construction**.

### Other items

The items at **your premises** shown under the heading of 'Other items' or 'Miscellaneous' in **your** schedule.

### Phishing

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

### Premises

The premises shown in **your** schedule.

### Standard construction

Brick, stone or concrete built and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of non-combustible mineral ingredients and plastic roof lights.

Buildings constructed of metal or composite panels insulated with materials other than polystyrene will be regarded as standard construction.

### Stock

Stock and materials in trade, including work in progress, finished goods and customers goods in and at **your building(s)** or held in trust by **you** for which **you** are responsible.

### Storm

Storm excluding damage by **flood**.

### Terrorism

In England, Scotland and Wales: 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 His Majesty's Government in the United Kingdom or any other government de jure or de facto.

In Northern Ireland: 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.

In the Channel Islands and the Isle of Man: An act of any person(s) 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 any government de jure or de facto.

### Time element loss

Business interruption, contingent business interruption or any other consequential losses.

## Unoccupied

Any building(s) or any portions of the building(s) which are wholly empty, more than 50% empty or not in use by **you** or any of **your** tenants for more than 30 consecutive days.

## Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability or purposely used to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

## ✓ What is covered

### Property damage cover

**We** will cover **you** for **damage** occurring during the **period of insurance** to any of the property insured detailed in **your** schedule. **We** will pay **you** for the value of the property at the time of its **damage** or for the amount of the **damage** or at **our** option reinstate or replace the property or any part of it in accordance with the following Basis of claims settlement.

### Basis of claims settlement

- 1 Claims for the total loss or destruction of **contents** or **other items** will be settled on the basis of replacement of property similar to but no better or more extensive than the **contents** or **other items** when new.
- 2 Claims for partial **damage** to **contents** or **other items** will be settled on the basis of restoration to a condition no better or more extensive than the condition of the **contents** or **other items** when new.
- 3 Claims for computer systems, records, documents, manuscripts, business books, accounting records and data-carrying materials will be settled on the basis of the value of the materials together with the cost of clerical labour and computer time taken

in reproducing those records, but **we** will not cover

- a any expenses in connection with reproducing information to be recorded on them
  - b the value to **you** of the information contained in them.
- 4 Claims for **damage** to the **building(s)** and tenants' improvements insured as a specific item will be settled on the basis of rebuilding or replacement of the destroyed property or the repair or restoration of the damaged portion of the property in each case to a condition equal to but no better or more extensive than its condition when new.
  - 5 Claims for **stock** will be settled on the basis of its value at the time of loss or destruction with an adjustment for wear and tear.

For all claims for the **building(s)**, **contents** or **other items**, no payment will be made beyond the amount which would have been payable under this section if this provision had not been incorporated, until the cost of reinstatement has actually been incurred.

All claims for the **building(s)**, **contents** or **other items** will be settled without deduction for any increases in the **declared value** between the start date of the **period of insurance** and the date of the **damage**.

Provided that

- 1 the **declared value** at the start of the **period of insurance** is not less than the cost of reinstatement at the start of the **period of insurance**
- 2 a revised **declared value** is provided to **us** annually at renewal

otherwise **our** liability for any claim is limited to the proportion of the claim that the **declared value** at the start of the **period of insurance** has to the cost of reinstatement at the start of the **period of insurance**.

The maximum **we** will pay under this section will not exceed

- 1 in the whole, the total sum insured or for any one item its sum insured or any other limit of liability shown in **your** schedule at the date of **damage**

- 2 the sum insured or limit remaining after deduction for any other **damage** occurring during the same **period of insurance** unless **we** have agreed to reinstate any of the sums insured or limits.

### Architects, surveyors, legal and consulting engineers fees cover

The cover provided for the **building(s)** and **contents** includes an amount for architects, surveyors, legal and consulting engineers fees necessarily incurred, with **our** written consent, in the reinstatement or repair of the property insured, as a result of its **damage**, but **we** will not cover any costs or expenses for preparing any claim.

**We** will not pay for any item more than the item sum insured shown in **your** schedule.

### Capital additions cover

**We** will cover **you** for

- 1 any newly acquired and/or newly erected building(s) or building(s) under construction or machinery and plant which is not insured elsewhere for which **you** are responsible
- 2 alterations, additions and improvements to the **building(s)**, or machinery and plant but not for any appreciation in value

anywhere within the **policy territories**.

Provided that

- a at any one **premises** this cover will not exceed the limits shown in **your** schedule for the **building(s)** and **contents**
- b **you** give **us** details in writing of the additions as soon as possible but in any event within 30 days and **you** will ensure specific insurance is arranged with **us** from the date **you** become responsible
- c the provisions of this cover will be fully maintained in addition to any specific insurance effected under **b** above.

### Contract price cover

If a sale contract is cancelled entirely due to **damage** to the **stock** sold by **you**, that is not delivered and still **your** responsibility, **our** liability will be based on the contract price. For this section, the value of all **stock** where the sale contract is cancelled in the event of **damage** will also be settled on this basis.

### Contract works cover

The cover for each **building(s)** item covered by this section extends to include **contract works** undertaken in the performance of any contract where **you** are responsible for arranging insurance cover under the terms of the contract.

Provided that

- 1 this cover will only apply as long as the **contract works** are not insured elsewhere
- 2 **we** will not be liable for the **excess** shown in **your** schedule for each and every loss.

**Our** liability will not exceed the amount shown in **your** schedule for all losses arising out of one claim.

### Debris removal cover

**We** will cover **you** for the costs and expenses necessarily incurred by **you** with **our** consent in

- 1 removing debris from
- 2 dismantling and/or demolishing
- 3 shoring up or propping

the portion or portions of the property insured as a result of **damage** covered by this section.

**We** will not cover any costs or expenses

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

**Our** liability for any item under this cover will not exceed the sum insured for the item shown in **your** schedule.

### Drains clearance cover

We will cover **you** for the costs and expenses necessarily and reasonably incurred by **you** in clearing, cleaning and/or repairing drains, gutters and/or sewers to **your building(s)** or for which **you** are responsible following **damage** up to the limit shown in **your** schedule.

### Environmental protection cover

We will pay the additional rebuilding costs following **damage** covered by this section, if **you** elect, with **our** written consent, to rebuild the damaged **building(s)** in a manner that aims to reduce potential harm to the environment or improve energy efficiency.

Provided that

- 1 we will not pay the additional costs of work **you** had already planned to be carried out prior to the **damage**
- 2 if **our** liability is reduced by the application of any terms or conditions of this **policy**, **our** liability will be reduced proportionately
- 3 we will not pay any additional costs for replacing undamaged property
- 4 if **you** elect not to rebuild the damaged **building(s)** then this cover will not apply
- 5 we will not pay the additional costs of complying with any Act of Parliament or bye-laws of any public authority.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Exhibition cover

We will cover **you** for any **stock**, **contents** and **other items** described in **your** schedule for a maximum of 15 days whilst at any exhibition within the **policy territories**.

**Our** liability will not exceed the limit shown in **your** schedule for all losses arising out of one claim.

### Explosives cover

We will cover **you** for **damage** to any property insured shown in **your** schedule, directly or indirectly caused by or as a result of the use of

explosives for any theft or any attempted theft at the **premises**. We will only cover **you** if the risk of explosion is not insured under any other policy by **you** or on **your** behalf for the same property.

**Our** total liability for all claims during any one **period of insurance** will not exceed the sum insured shown in **your** schedule.

### Fire brigade charges cover

We will cover **you** for the costs and expenses incurred by **you** charged by the Local Authority for extinguishing fire or fire fighting.

### Fire extinguishment expenses cover

We will cover **you** for the cost of replacing or refilling, recharging and/or replenishing extinguishment materials when **you**, **your** employees or the fire brigade attempt to extinguish or minimise **damage**.

Provided that these costs and expenses are not recoverable from the responsible public authority.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Freezer contents cover

We will cover **you** for damage to frozen or chilled goods in any cold chamber due to a change in temperature resulting from any cause, except loss, destruction or damage

- 1 following the deliberate act of any public electricity authority in termination, disconnection, restriction or withholding the supply of electricity
- 2 caused by neglect or misuse.

Provided that

- 1 the cold chamber must be maintained under an annual maintenance contract
- 2 where the cold chamber is over 10 years old, **you** will be responsible for 20% of any claim up to the sum insured.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Further investigation expenses cover

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, **we** will pay the reasonable costs and expenses incurred by **you** with **our** written consent in establishing whether or not such **damage** has occurred.

**We** will also pay the reasonable costs incurred by **you** with **our** written consent in establishing whether or not other surrounding buildings have suffered **damage** in the same incident but only if those buildings are subsequently found to have suffered **damage** for which **we** are responsible.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### General interest cover

**We** will automatically note the interest of other parties that may become interested in this insurance throughout the duration of this section. **You** must declare these interests to **us** in writing in the event of any **damage**.

### Glass breakage cover

**We** will cover **you** and at **our** option pay for or make good any breakage or malicious scratching of all internal or external fixed glass, belonging to **you** or for which **you** are responsible at the **premises** during the **period of insurance** and which is in good condition and free from **damage** at the start date of the **period of insurance**.

**We** will also pay for the cost of

- 1 breakage of fixed sanitary ware
- 2 boarding up and repair to associated framework reasonably incurred as a result of an insured breakage. **You** may instruct builders or glaziers to board up where necessary without **our** prior consent
- 3 repair or replacement of lettering, alarm foil or other ornamentation work on glass up to £5,000 in total for all claims during any one **period of insurance**
- 4 repair or replacement of fixed mirrors
- 5 removal or replacement of fixtures and fittings which may be necessary in connection with the replacement of the glass.

**We** will not pay for

- 1 breakage when the **building(s)** are **unoccupied** unless **we** have agreed otherwise
- 2 any property more specifically insured by **you** or on **your** behalf.

**Our** liability for any one claim will not exceed the sum insured shown in **your** schedule.

### Inadvertent omissions cover

Provided that **you** have notified **us** of **your** intention to cover all property in which **you** have an interest and that **you** believe all the property is covered, **we** will cover **you** for **damage** to property that has been inadvertently omitted or the subject of typographical error. **We** will provide cover within the terms of this section, subject to payment of the premium for all such property from the start of this section or from the date of **your** interest in such property if it is erected or purchased after the start of this section.

Provided that

- 1 the value of the property insured which has been inadvertently omitted shall be added to the **declared value**
- 2 this extension of cover does not apply to property situated outside of the **policy territories** or to **stock** or **other items**.

**Our** liability for any one claim at any one **premises** will not exceed the limit shown in **your** schedule.

### Inflation protection cover

**We** will adjust the sum insured for the **building(s)**, **contents** or **other items** at each renewal in line with suitable indices and the renewal premium for this section will be based on the adjusted sums insured.

### Landscaped gardens cover

**We** will cover **you** for the cost of restoring any **damage** caused by the emergency services to landscaped gardens, for which **you** are responsible, when the emergency services are attending the **premises** as a result of a **defined peril**.

**Our** total liability for all claims in any one **period of insurance** will not exceed the limit shown in **your** schedule.



### Leased buildings cover

We will cover **you** for **damage** to

- 1 the building(s) (including landlords' fixtures and fittings) where **you** are the lessee and/or
- 2 rent payable by **you** in respect of the building(s)

up to the limit shown in **your** schedule but only to the extent of **your** legal liability for **damage** to those building(s) and/or for rent payable.

We will not cover any risk which any lessor has covenanted to insure.

Provided that no amount is recoverable under this cover

- 1 due to the application of any excess, deductible or average condition under any more specific insurance
- 2 due to a breach, other than any unintentional breach by **you**, of any condition under any more specific insurance
- 3 in excess of any monetary limit of indemnity under any more specific insurance.

Special conditions applicable to this cover

- 1 if **we** request it, **you** agree to provide **us** with a copy of the lease or the relevant portions of the lease, for any of the **premises** which this cover applies to, and **you** also agree not to extend the relevant sections of the lease for the duration of this insurance without **our** prior consent
- 2 **we** will not be responsible for rent payable unless the building which the rent payable relates to is damaged where it is rendered unfit for occupation and then only for the proportion of the rent payable that is equivalent to the time necessary for reinstating the **damage** sustained.

### Locks and keys cover

We will cover **you** for the cost of replacing locks and keys needed to keep **your building(s)** secure if the keys are stolen using force and/or violence.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Loss reduction expenses cover

We will cover **you** for the costs and expenses necessarily and reasonably incurred by **you** with **our** consent in

- 1 preventing or reducing imminent **damage** which would have been covered by this section
- 2 reducing, mitigating or otherwise alleviating **damage** covered by this section during and after the occurrence of such **damage**.

Provided that

- 1 the impending **damage** was not reasonably foreseeable earlier and would be the natural outcome if the costs and expenses were not incurred
- 2 the impending **damage** did not arise from any defect in the property insured
- 3 **we** are satisfied that **damage** which would have been covered by this section has been avoided or reduced as a result of the measures taken.

**Our** total liability for all claims will not exceed the limit shown in **your** schedule during any one **period of insurance**.

### Metered water or gas cover

We will cover **you** for the additional metered water and/or gas charges incurred by **you** as a result of **damage** to the **building(s)** shown in **your** schedule, but **we** will not pay for the charges incurred for any **building(s)** which is **unoccupied**.

Provided that repairs are completed within 30 days of the **damage** being discovered.

The most **we** will pay is based on the amount of the water or gas charges for the period when the **damage** occurs, less the charge paid by **you** for the corresponding period in the preceding year. This will then be adjusted for changes in the suppliers' charges and for variations affecting **your** water or gas consumption during the intervening period.

**Our** total liability for all claims during any one **period of insurance** will not exceed the limit shown in **your** schedule.

### Motor vehicles (stationary risk) cover

**We** will cover stationary motor vehicles licensed for road use, belonging to or leased by **you** whilst situated at **your premises**, but only if they are not insured elsewhere.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Munitions of war cover

The War risks exclusion will not apply to **damage** to property insured under this section from or occasioned by the detonation of World War II munitions of war only or parts thereof in or within five miles of the **premises** situated in the **policy territories**.

### Outworkers cover

**We** will cover **you** for **damage** to the property shown in **your** schedule whilst at any of the premises of any of **your** outworkers situated anywhere in the **policy territories**.

**Our** total liability for all claims during any one **period of insurance** will not exceed the limit shown in **your** schedule for any one outworker.

### Pairs and sets cover

The insurance in respect of the personal property of **your** principals, directors, employees, customers or visitors, where that property consists of articles in a pair or set, is limited to the value of the individual parts which suffer **damage**, irrespective of any special value which that property may have as a pair or set.

### Patterns cover

**We** will cover **you** for **damage** to patterns, jigs, models, templates, moulds, tools, dies, drawings or designs belonging to **you** or for which **you** are responsible whilst at the premises of any machine makers, engineers, founders or other metal workers (excluding any premises occupied by **you**) within the **policy territories**.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Public authorities (including undamaged property) cover

The cover for the **building(s)** and **contents** also includes the additional cost of reinstatement that may be incurred solely due to the necessity to comply with the stipulations of building or other regulations under or framed in pursuance of any Act of Parliament or by-laws of any public authority

referred to as the stipulations for

- a the **damage** to the property insured
- b undamaged portions of the property insured

but excluding

- 1 the cost incurred in complying with the stipulations
  - a for **damage** occurring before the start date of this cover
  - b for **damage** not insured by this section
  - c where notice has been served on **you** prior to the **damage** happening
  - d where there is an existing requirement which has to be implemented within a given period
  - e for property covered by this section entirely undamaged by any event covered by this section
- 2 the additional cost that would have been required to make good the property lost, destroyed or damaged to a condition the same as when new, had the need to comply with the stipulations not arisen
- 3 the amount of any charge or assessment arising out of capital appreciation which may be payable for the property or by the owner to comply with the stipulations.

Special conditions applicable to Public authorities cover:

- 1 Reinstatement work must be started and carried out without unreasonable delay and must be completed within 12 months of the date of the **damage** or any further time that **we** agree (during those 12 months).
- 2 The reinstatement work may be carried out on another site (if the stipulations require) subject to **our** liability under this cover not being increased.

## Property damage section – All risks *continued*

- 3 If **our** liability is reduced by the application of any of the terms or conditions of this **policy**, then **our** liability will be reduced proportionately.
- 4 The total amount recoverable under any item of this section, for this cover will not exceed
  - a for the lost, destroyed or damaged property
    - i 15% of its sum insured
    - ii where the sum insured by the item applies to property at more than one location, 15% of the total amount which **we** would have been liable for had the property insured by the item been totally destroyed
  - b for undamaged portions of property (other than foundations), 15% of the total amount which **we** would have been liable for had the property insured by the item at the **premises** suffered **damage**.

**Our** liability for **building(s)** and **contents** will not exceed the sum insured shown in **your** schedule.

### Public relations expenses cover

**We** will cover **you** for the costs and expenses necessarily and reasonably incurred by **you** with **our** written consent to employ suitable public relations personnel to deal with press and public announcements and other necessary activities following **damage** covered by this section.

**Our** total liability for all claims during any one **period of insurance** will not exceed the limit shown in **your** schedule.

### Seasonal increase cover

The **stock** sum insured shown in **your** schedule will be increased by 25% during the months of November, December and the first 14 days of the month of January and for 30 days before Easter Day in each **period of insurance**.

### Seventy two hour cover

**We** will cover **you** for **damage** within 72 consecutive hours of and caused by the **defined perils** of **storm** or **flood** as one claim, provided the perils are covered by this section.

**You** can decide when the 72-hour period starts as covered by this section, provided that **damage** occurred before the end of the **period of insurance**.

### Sprinkler upgrade costs cover

**We** will cover **you** for the additional costs incurred, following **damage** to the property shown in **your** schedule, to upgrade an automatic sprinkler installation within **your building(s)** in order to meet current Loss Prevention Council (LPC) rules.

Provided that at the date of the **damage** the installation conforms to the LPC rules current at the date of installation and that the system has a complete service record up to the date of the **damage**.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Temporary removal cover

**We** will cover **contents** or **other items** whilst temporarily removed to any premises not owned or occupied by **you**

- 1 for cleaning, renovation, repair or similar purposes

and

- 2 in transit to and from such premises anywhere in the **policy territories**.

Provided that **we** will not cover property that is specifically insured elsewhere.

**Our** liability under each item of this section for any **damage** occurring other than at **your premises** will not exceed 10% of the item sum insured.

### Temporary removal of documents cover

**We** will cover **you** for up to 10% of the value of deeds and other documents (including stamps on them) manuscripts, plans and writings of every description, computer systems, records and books (written and printed) whilst temporarily removed

- 1 to any premises not owned or occupied by **you**

and

- 2 in transit to and from such premises within the **policy territories**.

This cover does not apply to property that is insured elsewhere.

### Theft or attempted theft cover

We will cover **you** for any loss, insured by this section, caused by theft or attempted theft

- 1 involving entry to or exit from the building(s) or part of the building(s) occupied by **you** at the **premises** by forcible and violent means
- 2 following assault or violence or threat of violence to **you** or any of **your** partners, directors or employees or any member of **your** family or any other person lawfully at the **premises**.

### Theft damage to buildings cover

Where there is no **building(s)** insurance in force under this section, **we** will cover **you** for **damage** to the **building(s)** at the **premises** shown in **your** schedule resulting directly from theft or attempted theft covered by this section, provided that **you** are the owner of the **premises** or are legally responsible for the **damage**.

We will not pay for **damage** to any **building(s)** which are **unoccupied**.

### Theft of building fabric cover

We will cover **you** for

- 1 **damage** to the external fabric of any **building(s)** insured by this section as a result of theft or attempted theft
- 2 **damage** following entry of rainwater as a result of theft or attempted theft of the external fabric of the **building(s)**.

This cover excludes

- 1 any **buildings** which are **unoccupied**
- 2 the **excess** shown in **your** schedule for each and every claim in respect of each separate **premises** shown in **your** schedule.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Trace and access cover

We will cover **you** for the reasonable costs necessarily incurred by **you**, and subsequent making good of **damage**, in locating the source of the leak resulting from

- 1 the escape of water from any tank, apparatus or pipe

- 2 **damage** to cables, underground pipes and drains serving the **premises**.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Unauthorised use of electricity, gas, oil and water cover

We will cover **you** for the charges which **you** are responsible for if gas, electricity, oil or water is discharged from a metered system, arising from unauthorised use by persons taking possession, keeping possession or occupying the **building(s)** without **your** authority.

Provided that **you** take all practical steps to terminate the unauthorised use as soon as it is discovered.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Undamaged stock cover

In the event of **damage** covered by this section, **we** will cover **you** for any additional costs and expenses **you** incur less the value of any salvage

- 1 in the event of undamaged **stock** deteriorating and/or being condemned or otherwise becoming unusable
- 2 for items that will form **stock** which **you** are obliged under contract to accept from any other party, but are unable to use.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Undamaged tenants improvements cover

In the event of **damage** covered by this section to the **building(s)** or **contents** specified in **your** schedule and as a result **your** lease is terminated by the lessor under a valid condition of **your** lease, **we** will cover **you** for the value of undamaged tenants fixtures, fittings, alterations, installations or additions, made at **your** expense and for which **you** are responsible and which cannot be legally removed from **building(s)** occupied but not owned by **you**.

Provided that **we** will not be liable for retaining walls, foundations or supports below the surface of the lowest floor or basement or for outdoor trees, shrubs, plants or lawns.

## Property damage section – All risks *continued*

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Underground pipes and services cover

**We** will cover **you** for the costs incurred following **damage** which **you** are responsible for to fuel or oil pipes, cables including overhead electricity and telephone cables, septic tanks and associated pipes, underground pipes and drains including inspection covers at the **premises** or connecting the **premises** to the public mains.

Provided that **we** will not cover damage caused by gradual deterioration or wear and tear.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Unspecified storage sites cover

**We** will cover **stock** belonging to **you** whilst at any unspecified location within the **policy territories** used by **you** for storage.

Provided that cover only applies where the **stock** is not insured elsewhere.

**Our** liability for any one claim will not exceed the limit shown in **your** schedule.

### Value Added Tax cover

**We** will cover **you** for Value Added Tax (VAT) paid by **you** which is not subsequently recoverable.

Provided that

- 1 a **your** responsibility for such VAT arises solely as a result of the reinstatement or repair of the property covered following **damage**
  - b **we** have paid or have agreed to pay for the **damage**
  - c if any payment made by **us** in respect of the reinstatement or repair of the **damage** is less than the actual cost of the reinstatement or repair of the **damage**, any payment under this cover resulting from that **damage** will be proportionally reduced
- 2 **your** responsibility for VAT does not arise from the replacement property covered being better or more extensive than the property which has been destroyed

- 3 where an option to reinstate the **building(s)** on another site is exercised, **our** responsibility under this cover will not exceed the amount of VAT that would have been payable had the **building(s)** been rebuilt on its original site
- 4 **our** responsibility under this cover will not include amounts payable by **you** as penalties or interest for non-payment or late payment of VAT
- 5 **you** have taken all reasonable precautions to insure adequately for **your** VAT responsibility at the start date of the **policy** and at each subsequent renewal date.

## X What is not covered

### Aircraft or aerial devices exclusion

**We** will not cover **you** for any loss, damage, cost or expense caused by or occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but **we** will cover subsequent **damage** which itself results from a cause covered by this section.

### Brittle articles exclusion

**We** will not cover **you** for any loss, damage, cost or expense to glass (other than fixed glass) china, earthenware, marble or other fragile or brittle objects other than **damage** caused by a **defined peril** which is covered by this section.

### Business interruption exclusion

**We** will not cover **you** for any loss, damage, cost or expense of any kind which occurs as a result of **business interruption** under this section, except loss of rent payable where this is shown as covered in **your** schedule.

### Collapse exclusion

**We** will not cover **you** for any loss, destruction or damage to the **building(s)** or structure caused by its own collapse or cracking other than for **damage** caused by a **defined peril** which is covered by this section.

### Collusion theft exclusion

We will not cover **you** for any loss, damage, cost or expense resulting from theft or attempted theft caused by or in conjunction with **you** or any of **your** partners, directors or employees or any member of **your** family or any other person lawfully at the **premises**.

### Cyber exclusion

We will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from occasioned by or resulting from

- 1 any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- 2 any **cyber incident**.

This exclusion shall not apply to claims for **damage** resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by this section.

### Date recognition exclusion

We will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to or arising from the failure of equipment (including any **computer systems**) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims for **damage** resulting from a **defined peril** covered by this section.

### Deliberate loss or damage exclusion

We will not cover **you** for any loss, damage, cost or expense caused, or allowed to be caused, deliberately, wilfully, maliciously, illegally or unlawfully by **you**.

### Disease exclusion

- 1 Notwithstanding any provision to the contrary within this section, this section excludes any loss, damage, liability, claim, cost or expense of whatsoever nature,

directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.

- 2 Subject to the other terms, conditions and exclusions contained in this section, this section will cover physical damage to property insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this section and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, riot, riot attending a strike, civil commotion, vandalism and malicious persons, theft, escape of water from any tank apparatus or pipe, leakage of oil from any fixed heating installation.

### Electrical plant or apparatus exclusion

We will not cover **you** for any loss, destruction or damage to any electrical plant or apparatus caused by its own overrunning, short-circuiting, excessive pressure or self-heating.

If the **damage** extends to other property insured, that **damage** is covered by this section.

### Excess exclusion

We will not cover **you** for the **excess** shown in **your** schedule for each and every loss in respect of each separate **premises** shown in **your** schedule, in respect of

- 1 **damage** by fire, lightning, explosion, aircraft, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or earthquake
- 2 **flood**
- 3 theft or attempted theft
- 4 all other **damage**.

### Faulty or defective workmanship exclusion

**We** will not cover **you** for any loss, damage, cost or expense caused by or consisting of faulty or defective workmanship, operational error, operator error, or omission by **you**, any of **your** employees or anyone on **your** behalf, other than for **damage** caused by a **defined peril** which is covered by this section.

### Fraud and dishonesty exclusion

**We** will not cover **you** for any loss, damage, cost or expense resulting from acts of fraud or dishonesty by **you**, **your** employees or any partner, director or member of **your** family, but **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

### Miscellaneous damage exclusion

**We** will not cover **you** for any loss, damage, cost or expense caused by or consisting of

- 1 corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- 2 change in temperature, colour, flavour, texture or finish
- 3 joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- 4 mechanical or electrical breakdown or derangement for the particular machine, apparatus or equipment where the breakdown or derangement originates

other than for **damage** caused by a **defined peril** which is covered by this section.

### Money exclusion

**We** will not cover **you** for **money** (other than as detailed in the meaning of **contents**) unless caused by a **defined peril** covered by this section.

### More specific insurance exclusion

**We** will not cover **you** for any property more specifically insured by **you** or on **your** behalf.

### Motor vehicle and other property exclusion

**We** will not cover **you** for any loss or damage to, cost or expense arising from

- 1 vehicles licensed for road use (including accessories on them) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- 2 property or structures in course of construction or erection and materials or supplies in connection with all such property
- 3 land, piers, jetties, bridges, culverts and excavations
- 4 livestock, growing crops or trees
- 5 pitch fibre pipes
- 6 electronic cryptographic or virtual currency or currencies of any kind

unless specifically covered by this section.

### Pollution or contamination exclusion

**We** will not cover **you** for any loss, damage, cost or expense caused by pollution or contamination unless the **damage** is caused by

- 1 pollution or contamination which itself results from a **defined peril** provided that peril is covered by this section
- 2 any **defined peril** provided that peril is covered by this section, which itself results from pollution or contamination.

### Process exclusion

**We** will not cover **you** for any loss, damage, cost or expense

- 1 to the property insured shown in **your** schedule caused by fire resulting from its undergoing any heating process or any process involving the application of heat
- 2 (other than by fire or explosion) to the property insured shown in **your** schedule resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.

### Property in the open exclusion

**We** will not cover **you** for any loss, destruction or damage to fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, **flood**, dust or theft.

### Radioactive contamination exclusion

**We** will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss, directly or indirectly caused by or contributed to by or arising from

- 1 ionising radiations or contamination by radioactivity from any nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- 2 buildings, plant or equipment for the generation of nuclear power, or production, use or storage of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- 3 transportation of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- 4 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly
- 5 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

### Steam pressure exclusion

**We** will not cover **you** for any loss, damage, cost or expense caused by or consisting of the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus where internal pressure is due to steam only belonging to **you** or under **your** control.

But **we** will cover subsequent **damage** which results from a cause covered by this section.

### Subsidence exclusion

**We** will not cover **you** for any loss, damage, cost or expense caused by or resulting from

- 1 subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- 2 coastal or river erosion
- 3 normal settlement or bedding down of new structures.

Exclusion 1 does not apply if subsidence cover is shown as being covered in **your** schedule.

### Terrorism and Northern Ireland exclusion

**We** will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1 In England, Scotland, Wales, the Channel Islands and the Isle of Man
  - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.
- 2 In Northern Ireland
  - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
  - c riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect.

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.



### Theft or any attempted theft exclusion

**We** will not cover **you** for any loss, destruction or damage caused by or consisting of theft or attempted theft

- 1 not involving entry to, or exit from the building(s) or any part of the building(s) used by **you** at the **premises** by forcible and violent means
- 2 unless as a result of assault or violence or threat of violence to **you** or any of **your** partners, directors or employees or any member of **your** family, or any other person lawfully at the **premises**
- 3 of property in the open or property not contained in a fully secured and locked building.

### Unexplained loss exclusion

**We** will not cover **you** for any loss, damage, cost or expense caused by or consisting of

- 1 disappearance, unexplained or inventory shortage
- 2 misfiling or misplacing of information.

### Unoccupied building exclusion

**We** will not cover **you** for any loss, destruction or damage to any building which is **unoccupied** caused

- 1 by freezing
- 2 by the escape of water from any tank, apparatus or pipe
- 3 by malicious persons not acting on behalf of or in connection with any political organisation other than by fire or explosion
- 4 by theft damage to the building
- 5 by theft of fabric of the building.

### Valuables exclusion

**We** will not cover **you** for any loss, destruction or damage to jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art or rare books, but **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

### War risks exclusion

**We** will not cover 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.

### Wear and tear, deterioration exclusion

**We** will not cover **you** for any loss, damage, cost or expense caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level or its own faulty or defective design or materials but **we** will cover subsequent **damage** which itself results from a **defined peril** covered by this section.

### Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

### Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid, the amount of the difference will be referred to an arbitrator who is jointly appointed in accordance with the statutory requirements. **You** will not be able to take legal action against **us** over this disagreement until the arbitrators have made their award.

### Average condition

If the sum insured of any item shown in **your** schedule at the time of any **damage** is less than 85% of the cost which would have been incurred in reinstating the whole of the property

covered by any item at the time of rebuilding or replacement, the amount payable by **us** will be proportionately reduced.

This will not apply to any item subject to the Day one average cover or the Reinstatement condition.

### Construction of buildings condition

Unless otherwise stated the **premises** described in **your** schedule must be of **standard construction**.

### Contribution and average condition

If, at the time of the claim, there is any other policy covering the same property covered by this section, **we** will only be responsible for **our** proportionate share.

If any other policy is subject to any average (under insurance) condition, this section, if not already subject to average, will be subject to average in the same way as the other insurance policy.

If any other policy has a condition that prevents it from paying its share, **our** share of the claim will be limited to the proportion of the sum insured compared to the value of the property insured.

### Designation condition

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

### Explosion condition

Any vessel, machinery or apparatus or its contents belonging to **you** or under **your** control, which needs examination to comply with any statutory regulations, are subject of a contract providing the required inspection.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

### Fire protections condition

**You** must ensure that all fireproof doors and shutters are kept closed (except during working hours) and all fire protections (including fire

extinguishing appliances) must be maintained in efficient working order during the **period of insurance**.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

### Indemnity condition

Where an item is marked 'I' in **your** schedule **your** cover is on an indemnity basis which means the cost of replacing the item less an adjustment for wear and tear.

**You** must declare to **us** at the start date of the **period of insurance** the sum insured for those items on this basis. Any claim for **damage** will be settled on this basis subject to

- 1 the value for those items will be calculated on this basis for the purpose of the Average condition
- 2 the maximum amount payable for any one item shall not exceed the sum insured for that item shown in **your** schedule.

### Maintenance condition

**You** must maintain **your** property at the **premises** in a good state of repair.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

### Minimum security standards condition

The following minimum level of security must be installed and maintained at the **premises** and put into use whenever the **premises** are closed for business or left unattended.

Alternative minimum security protections can only be installed with **our** written permission.

- 1 all external doors of the building(s) or any part of the building(s) used by **you** at the **premises** must be secured as follows
  - a timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/or conforms to British Standards BS 3621 or a cylinder lock conforming to European Norm EN 1303 together with a matching

- metal box striking plate, installed in accordance with the manufacturer's recommendations
  - b** aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
  - c** UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
  - d** the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom
- 2** all internal doors in the building(s) that give access to any part of the building(s) not used by **you** for the purpose of the **business** are to be fitted with
- a** timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/or conforms to BS 3621 or a cylinder lock conforming to European Norm EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
  - b** aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
  - c** UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
  - d** the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom
- 3** all opening external basement, ground floor and other accessible windows (accessible includes a window that can be easily reached from an adjacent flat roof, a fire escape, balconies, canopies or down pipes), fanlights, roof lights, skylights must all be fitted with suitable and appropriate key operated window locks, installed in accordance with the manufacturer's recommendations. All louvered windows must have their louvers permanently fixed into place to ensure they cannot be removed from their fixings

This requirement does not apply to windows protected by solid steel bars, weld mesh or expanded metal grills securely fixed to the brickwork surrounding the window

- 4** any door or window officially designated by the local planning officer, local building control officer or as defined within the business fire risk assessment forming part of an emergency exit route, is excluded from the above requirements. The doors and windows must only be secured using suitable and appropriate internally operated quick release type of security devices, specifically designed for this purpose with mortice deadlocks conforming to BS 8621; panic bars/latches conforming to BS EN 1125 and/or emergency exit door devices conforming to BS EN 179.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for malicious damage and/or theft or attempted theft.

#### Modern materials condition

Where an item is marked 'MM' in **your** schedule **your** cover is on a modern materials basis which means the cost of erecting modern buildings providing comparable facilities to the existing structures.

**You** must declare to **us** at the start date of the **period of insurance** the sum insured for those items on this basis. Any claim for **damage** will be settled on this basis subject to

- 1** the value of the **building(s)** will be calculated on this basis for the purpose of the Average condition
- 2** the amount payable for any **building(s)** shall not exceed either the cost of a modern building providing comparable facilities or the sum insured, whichever is less.

#### Mortgagee's condition

The act of neglect of any mortgagor or occupier of any **premises** covered by this section where the risk of **damage** is increased without the authority or knowledge of any mortgagee will not prejudice the interest of the latter party (or parties) in this section, provided they tell **us**

immediately when they become aware of any increased risk, pay any necessary additional premium and comply with any additional terms agreed with **us**.

### Non-invalidation condition

The cover provided by this section will not be invalidated by any act or omission or an alteration where the risk of **damage** is increased unknown to **you** and beyond **your** control, provided that when **you** become aware of it, **you** tell **us** immediately and pay any necessary additional premium and comply with any additional terms agreed with **us**.

### Police notification condition

**You** must immediately notify the police of any **damage** by theft or attempted theft of the property covered by this section. **You** must take all reasonable steps to assist with the discovery of the guilty person or persons and to trace and recover the property lost.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for theft or attempted theft.

### Protective and locking devices condition

All locks, bolts, bars, window fastenings and other protective and locking devices installed at the **premises** must be maintained and put into operation whenever the **premises** are closed for business or left unattended.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for malicious damage and/or theft or attempted theft.

### Reinstatement condition

This condition is not applicable to motor vehicles and their accessories, personal effects or **stock**.

Where an item is marked 'R', in **your** schedule **your** cover is on a reinstatement basis which means the cost of reinstatement of the property lost, destroyed or damaged.

Provided that

- 1 **our** liability for the repair or restoration of property that has suffered **damage** in part only will not exceed the amount **we** would have been liable for had the property been completely destroyed
- 2 if the sum insured at the time of any **damage** is less than 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item, at the time of rebuilding or replacement, the amount payable by **us** will be proportionately reduced
- 3 no payment will be made beyond the amount which would have been payable in the absence of this cover
  - a unless reinstatement commences and proceeds without unreasonable delay
  - b until reinstatement costs have been actually incurred
  - c if the property covered by this section at the time of its **damage** has any other insurance in force which is not on the same basis of reinstatement
- 4 all the terms and conditions of the **policy** will apply
  - a to any claim payable under this condition unless they have been amended by this condition
  - b if any claim is payable as if this condition had not been included.

### Reinstatement of sum insured after loss condition

In the event of **damage** the sum insured by this section will be automatically reinstated from the date of the **damage** unless written notice is given to the contrary either by **us** or by **you**.

Provided that in the event of reinstatement **you** will

- 1 pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- 2 complete any additional risk improvements which **we** may reasonably require.

### Rent condition

Any cover on rent only applies if the **premises** or any part of them is unfit for occupation following **damage**.

The amount payable will not exceed the proportion of the sum insured on rent relating to the period necessary for reinstatement.

### Security of premises condition

If the cover provided by this section has been granted following a survey of **your premises**, **you** must not alter door and window fastenings and other security devices (except as may be provided for in any further protection endorsement shown in **your** schedule) without **our** written consent. In **your** own interest, **you** should give early notification of proposed changes so that if necessary a further survey can be completed.

If **you** do not comply with this condition, **you** will not be covered and **we** will not make any payment in respect of a claim for malicious damage and/or theft or attempted theft.

### Subrogation waiver condition

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

- 1 any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2 any company which is a subsidiary of a parent company of which **you** are a subsidiary in each case as defined by current law at the time of the **damage**.

### Transfer of interest condition

If at the time of **damage** **you** have entered into a contract to sell **your** interest in any **building(s)** covered by this section and the sale has not

but subsequently completes, the purchaser will have the full protection of this section on exchange of contracts, provided the **building(s)** are not covered by any other insurance arranged by the purchaser.

### Unoccupied buildings condition

The following must be complied with

- 1 **You** must tell **us** as soon as **you** become aware
  - a of any buildings or portions of buildings at the **premises** becoming **unoccupied** or **unoccupied** buildings or portions of **unoccupied** buildings at the **premises** becoming occupied and **you** agree to
    - i pay any necessary additional premium as may be required by **us**
    - ii complete any additional risk improvements which **we** may reasonably require
  - b of any **damage** to the **unoccupied** buildings or **unoccupied** portions of buildings whether the **damage** is covered or not
- 2 In respect of **unoccupied** buildings or **unoccupied** portions of buildings, **you** must ensure that
  - a the buildings are inspected internally and externally at least once a week by **you** or on **your** behalf and a written record of the inspection is maintained by **you**
  - b all refuse and waste materials are removed from the interior of the buildings and removed from the **premises**
  - c **you** will secure the **premises** and put all protective, locking devices and any alarm protection in effective operation
  - d gas, water and electricity services (except electricity supply to maintain any fire or intruder alarm systems) and any fuel supplies are permanently shut off at the switch or stopcock where they enter the buildings (or in the case of individual flats or portions of a building, where they enter the flat or **unoccupied** part of the building)

- e **you** implement any additional protections that **we** may require within the time scale **we** specify
- f all **damage** to the **premises** must be rectified immediately
- g letterboxes must be sealed
- h the final exit door of the building(s) must be secured as follows
  - i timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/or conforms to British Standards BS 3621 or European Norm EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
  - ii aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
  - iii UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
  - iv the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion and/or malicious damage and/or theft or attempted theft.

### Workmen's condition

Joiners and other tradesmen are allowed in or on the **premises** covered by this section to make repairs or minor structural alterations without prejudice to this insurance, provided that if the repairs or minor structural alterations involve the use of heat, **you** must comply with the Hot work permit system condition if applicable.

### Specific section conditions and covers

The following conditions and covers only apply if shown in **your** schedule.

**You** must comply with the following conditions to have the full protection of **your policy**. Some conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

#### 1 Day one average cover

Subject to the following special conditions, the amount payable for property under sums insured marked 'DA' in **your** schedule will be calculated as reinstatement of the **damage** to the property.

For this purpose, reinstatement means

- 1 the rebuilding or replacement of damaged property, which provided **our** liability is not increased may be completed
  - a in any manner suitable to **your** requirements
  - b upon another site
- 2 the repair or restoration of **damaged** property

to a condition equivalent to or the same as but no better or more extensive than its condition when new.

**You** have stated in writing the **declared value** shown in **your** schedule, for each item insured and the premium has been calculated accordingly.

Special conditions applicable to Day one average cover

- 1 At the start of each **period of insurance** **you** must tell **us** the **declared value** of each item insured. Without this declaration the last amount declared by **you** will be taken as the **declared value** which will be adjusted for inflation for the next **period of insurance**.
- 2 If at the time of **damage** the **declared value** of the property covered by any item is less than the cost of reinstatement at the start

of the **period of insurance**, **our** liability for any **damage** will be proportionately reduced and will be limited to the proportion that the **declared value** bears to the cost of reinstatement.

- 3 **Our** liability for the repair or restoration of property damaged in part only, will not exceed the amount which would have been paid had the property been completely destroyed.
- 4 No payment will be made beyond the amount that would have been payable in the absence of this Day one average cover condition
  - a unless reinstatement starts and proceeds without unreasonable delay
  - b until the cost of reinstatement has been incurred
  - c if the property covered by this section at the time of the **damage** is insured by any other insurance which is not upon the same basis of reinstatement.

If **you** do not comply with Special condition 4 above or **you** decide not to reinstate the property insured in a condition equal to but not better or more extensive than its condition when new, then this cover is cancelled and **our** and **your** rights and liabilities in respect of the **damage** will be subject to the following Condition of average (under insurance).

Condition of average (under insurance)

The cover for each item is deemed to be subject to average i.e. if the property at the time of **damage** is valued at more than 115% of the **declared value** stated in **your** schedule then **you** will be considered as self insured for the difference and will be responsible for a proportionate share of the loss.

## 2 Stock declaration condition

The premium for any item in **your** schedule where the sum insured is marked 'D', is provisional and subject to adjustment as below.

Within 30 days of the end of each calendar month **you** will declare to **us** the value of the property on the last day of that month. If a declaration is not given, **you** will be deemed to have declared the sum insured as the value.

On the expiry of each **period of insurance** the actual premium will be calculated at the rate applicable on the total of the amounts declared divided by the number of the declarations, where a declaration is not received the sum insured will be used. If the actual premium is greater than the provisional premium **you** will pay the difference to **us**. If it is less **we** will pay the difference to **you**.

The sum insured will not be reduced by the amount of any loss. **You** will have to pay an appropriate extra premium on the amount of the loss from the date of the loss until the expiry of the **period of insurance**.

For cover to apply every insurance on such property covering **damage** must be on a similar basis of declaration adjustment.

## 3 Subsidence cover

If this cover is shown as covered in **your** schedule, the Subsidence exclusion under the heading 'What is not covered' does not apply.

**We** will cover **you** for **damage** to the property insured caused by subsidence, ground heave or landslip of any part of the site on which the **building(s)** stands,

but **we** will not cover

- 1 the **excess** shown in **your** schedule for each and every claim in respect of each separate **premises**
- 2 **damage** to yards, car parks, roads, pavements, walls, gates and fences unless also affecting a building covered under this section which is also damaged at the same time by the same cause
- 3 **damage** caused by or consisting of
  - a the normal settlement or bedding down of new structures
  - b the settlement or movement of made-up ground
  - c coastal or river erosion
  - d defective design or workmanship or the use of defective materials
  - e fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe

- 4 **damage** which originated before the start of this cover
- 5 **damage** resulting from
  - a demolition, construction, structural alteration or repair of any property or
  - b ground works or excavation at the **premises**.

Special conditions applicable to the Subsidence cover

- 1 **You** must notify **us** as soon as possible if **you** become aware of any demolition, ground works, excavation or construction being carried out on any adjoining site and **we** will then have the right to vary the terms or cancel the cover if **we** consider that the risk has changed.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for subsidence, ground heave or landslip.

#### 4 Deep fat frying condition

**You** must ensure that

- 1 all deep fat frying equipment must be fitted with
  - a a fully functioning thermostat to prevent the temperature of cooking oils or fats rising above 205 degrees centigrade or the manufacturer's maximum temperature if less than 205 degrees centigrade
  - b a separate fully functioning high temperature limit control of a non-self-resetting type to shut off the heat source should the temperature of the fat exceed 230 degrees centigrade
- 2 a means for the emergency shutdown of power fuel supply and the extraction system of all cooking equipment must be provided. The emergency shutdown must be clearly labelled, easily accessible and safely located
- 3 all deep fat frying equipment including flues and exhaust ducting must be securely fixed and free from contact with combustible material. The exhaust ducting must be constructed of and supported by galvanised

or stainless steel materials with watertight seams and joints

- 4 a fire blanket must be situated in the cooking area and must be in such a position where it can be safely reached in the event of fire
- 5 a 6 litre Class F wet chemical fire extinguisher must be situated where it is easily accessible in the vicinity of any deep fat frying equipment and must be maintained under an annual service contract with a British Approvals for Fire Equipment (BAFE) registered contractor
- 6 all extraction hoods, canopies, filters and grease traps must be cleaned at least once every 7 days and a written record must be kept by **you** detailing each cleaning activity
- 7 all internal surfaces of all ducting and extraction motors must be cleaned at least once every 12 months by a specialist contractor who is accredited by the British Engineering Services Association (BESA) complying with the standards laid down by BESA 'TR19® Grease - Fire Risk Management of Grease Accumulation within Kitchen Extract Systems'
- 8 all waste oil must be kept in closed metal (or heat resistant plastic) containers and removed from the buildings at the end of each working day and from the **premises** at least once a week
- 9 where fire suppression equipment is fitted
  - a the installation must be maintained annually under contract by the equipment manufacturer or their appointed approved contractors
  - b the installation must have both manual and automatic operation and it must automatically shut down the heat supply and extraction system on activation
  - c the installation must be recharged and fully operational within 48 hours following activation
- 10 the installation and connection of
  - a gas fired deep fat frying equipment to the gas supply must be carried out by a GAS SAFE registered contractor
  - b electrical powered deep fat frying equipment must be carried out by a



member of National Inspection Council for Electrical Installation Contracting (NICEIC), Electrical Contractors Association (ECA), NAPIT or SELECT (Scotland only) registered contractor

- 11 all deep fat frying equipment, including safety devices, should be serviced at frequencies in accordance with the original equipment manufacturers instructions by suitably qualified personnel.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

## 5 No smoking condition

**You** must ensure that

- 1 smoking is not permitted in enclosed or substantially enclosed buildings and standard no smoking notices must be displayed in prominent positions
- 2 any outside area designated for smoking must be kept clear of combustible materials and provisions must be made for the extinguishment of lighted materials.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

## 6 Hot work permit system condition

**You** must ensure that for any construction, maintenance, repair or activity at the **premises** which involves **hot work**, **you** must enforce a hot work permit system under which **you** must ensure that

- 1 prior to any work commencing, the contractor or person employed to complete the work completes and signs a hot work permit which is available upon request from **us**.
- 2 the precautions and systems of work shown on the hot work permit are complied with at each stage of the work.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

## 7 Waste condition

**You** must ensure that

- 1 all oily or greasy waste and cloths must be kept in metal bins with close fitting metal lids and removed from the buildings at the end of each working day and from the **premises** at least once a week
- 2 all other trade refuse must be swept up and removed daily from the buildings and from the **premises** at least once a week.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

## 8 Alarm condition

For cover to operate in respect of **damage** following entry or attempted entry to or exit from the **alarmed buildings** by forcible and violent means **you** must ensure that the following must be complied with

- 1 the **alarmed buildings** are protected by an **intruder alarm system** designed, installed and maintained to British Standard BS 4737 or European Norm EN 50131 including, where stipulated by **us** or the local police authority, British Standard BS8243 for installation of intruder alarm systems designed to generate confirmed alarms
- 2 the intruder alarm installation and maintenance company must be both
  - a a member of an alarm inspectorate which is accredited by the United Kingdom Accreditation Service (UKAS) to BS EN ISO/IEC 17065 or BS EN 17021and
  - b recognised as an approved company by National Security Inspectorate (NSI) or Security Systems and Alarm Inspectorate Board (SSAIB) for the design, installation and maintenance of intruder alarm systems
- 3 the **intruder alarm system** must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS 4737 or EN 50131 with the installing company or such other company as agreed with **us**. Where remote alarm signalling is required, the signal

transmission must be transmitted to an alarm-receiving centre fully compliant with BS 5979 or BS EN 50518 and operated by a company accredited and operating to a quality management system in accordance with EN ISO 9000

- 4 no alteration to or substitution of
  - a any part of the **intruder alarm system**
  - b the maintenance contract
  - c the structure of the **alarmed buildings** or changes to their layout which would affect the effectiveness of the **intruder alarm system**
  - d the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**

be made without **our** written agreement

- 5 the **alarmed building** will not be left unattended without **our** agreement
  - a unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals (including both alarm transmission systems for dual signalling systems) in full operation
  - b if the police have withdrawn their response to alarm activations

If the alarm system is not fully operative **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational

- 6 **you** must keep all security codes for the **intruder alarm system** confidential and all codes and keys must be removed from the **premises** when they are left unattended
- 7 **you** will appoint at least two **key holders** and give written details (which must be kept up to date) to the alarm company and either the police or the alarm-receiving centre
- 8 in the event of notification of any activation of the **intruder alarm system** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, during any period the **intruder alarm system** is set a **key holder** will attend the **premises** as soon as reasonably possible

If the alarm cannot be reset following the **key holder** attendance **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational

- 9 in the event of **you** receiving any notification
  - a that the police attendance in response to alarm signals or calls from the **intruder alarm system** may be withdrawn, or the level of response reduced or delayed
  - b from a local authority or magistrate imposing any requirement for abatement of nuisance
  - c that the **intruder alarm system** cannot be returned to or maintained in full working order

**You** will tell **us** as soon as possible but in any event within 7 days and comply with any subsequent requirements stipulated by **us**.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for malicious damage and/or theft or attempted theft.

**This document is available in  
other formats.**

If you would like a Braille, large print  
or audio version, please contact your  
insurance adviser.

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