



Commercial Property Investors Policy Wording



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Notices

Documentation

This document the **schedule** and any endorsement(s) attaching to this document and/or **schedule** constitute the **policy**, which is the insurance contract and sets out the terms of this insurance between **you** and **us**.

Defined terms

Certain words or phrases in this **policy** have specific meaning as defined within this **policy** and wherever these words appear in bold in this **policy** the defined meanings shall apply. These defined words or phrases can be found under the Definitions section of this **policy** and, where section specific, under the applicable section.

Understanding this policy

This **policy** must be read by **you** in its entirety as conditions, exclusions and other limitations apply.

The **policy** is made up of different classes of insurance, which are set out in separate sections of this **policy** with specific terms applying to each section separately in addition to general terms applying to all the sections. The cover **you** have selected under this **policy** is shown in the **schedule**.

You must ensure that the cover **you** have purchased under this **policy** is adequate for **your** needs.

If **you** think there is a mistake in or a change needs to be made to this **policy**, then **you** must immediately notify **your insurance broker**.

How to make a claim - Sections one, two, four and five

If **you** need to make a claim please first check **your policy** to make sure **you** are covered. **You** must then follow the instructions under the Claims condition in this **policy's** General conditions and, where applicable, further instruction under the relevant section(s) of this **policy**.

Reserv Claims Analysis
275 New Road North
PMB 3077
London
N1 7AA

Telephone: +44 (0) 203 966 7626
Email: new.claimUK+Folgate@reserv.com

Our claims helpline is open 24 hours a day, alternatively **you** can contact **your insurance broker** who will help **us** deal with **your** claim quickly and fairly.

Telephone calls may be monitored and recorded.

How to make a claim – Section three

If there is an **occurrence** likely to give rise to a claim, **you** should notify **us** and/or the broker named in the **schedule** as soon as reasonably possible.

If **you** need to make a claim, please contact Davies Managed Systems as soon as reasonably possible by calling the telephone number:- 0344 856 2326 and have **your policy** number to hand when calling. **Your policy** number appears on **your policy schedule**.

Alternatively, please contact newclaims.lancashire@davies-group.com

How to make a claim - Section six: Legal expenses

Helping you with your legal problems

You can contact **our** UK-based call centre 24 hours a day, seven days a week. However, **we** may need to arrange to call **you** back depending on the enquiry. To help **us** check and improve **our** service standards, **we** may record all calls. When phoning, please quote **your ARAG policy** number shown in **your schedule**.

Legal Advice Service: 0344 893 5726

Advice can be provided on any commercial legal problem affecting **your business** under the laws of the United Kingdom of

Great Britain and Northern Ireland, any European Union country, the Isle of Man, the Channel Islands, Switzerland and Norway.

Wherever possible the Legal Advice helpline aims to provide immediate advice from a qualified legal adviser. However, if this is not possible they will arrange to call **you** back at a time to suit **you**.

Advice on the laws of England and Wales can be provided 24 hours a day, 365 days a year. Beyond this jurisdiction, or for very specialist legal matters, **we** will refer **you** to one of **our** specialist advisers. Specialist advice is provided 9am – 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, **we** will call **you** back.

Tax Advice Service: 0344 893 5726

We offer confidential advice over the phone on any tax matters affecting the **business**, under the laws of the United Kingdom.

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

Counselling Service: 0344 893 9012

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

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

We cannot accept responsibility if the helpline services are unavailable for reasons **we** cannot control.

Making a claim

If **your** issue cannot be dealt with through legal advice and needs to be dealt with as a potential claim under this section of the **policy**, phone **us** on 0344 893 5726 and **we** will give **you** a reference number. **We** will ask **you** about **your** legal dispute and if necessary call **you** back at an agreed time to give **you** legal advice. If **your** dispute needs to be dealt with as a claim under this Section, **we** will give **you** a claim reference number. At this point **we** will not be able to tell **you** whether **you** are covered but **we** will pass the information **you** have given **us** to **our** claims handling teams and explain what to do next.

If **you** prefer to report **your** claim in writing, **you** can send it to the Claims Department, ARAG Legal Expenses Insurance Company Limited, Unit 4a, Greenway Court, Bedwas, Caerphilly, Wales, CF83 8DW.

You may prefer to email **your** claim to **us** at new-claims@arag.co.uk

Please do not ask for help from a lawyer, accountant or anyone else before **we** have agreed that you should do so. If **you** do, **we** will not pay the costs involved even if **we** do accept the claim.

How to make a complaint - Sections one, two, four and five

Our aim is to ensure that all aspects of **your** insurance are dealt with promptly, efficiently and fairly and **we** are committed to providing **you** with the highest standard of service at all times.

If at any time **you** have any concerns regarding **your** contract of insurance, **you** should in the first instance refer to **your insurance broker**.

The majority of complaints can be resolved quickly and satisfactorily by the department **you** are dealing with. It may be that **we** can resolve **your** complaint over the telephone and **you** can contact the relevant department on 0207 256 3100.

Should **you** feel that **we** have been unable to offer **you** a resolve by telephone, and **you** wish to make a complaint in relation to **your policy** or the service provided, **you** can do so at any time by contacting:

Folgate Underwriting Agency Ltd
80 Leadenhall Street
London
EC3A 3DH

Telephone: +44 (0) 207 256 3100
Email: complaints@folgateltd.com

Should **you** wish to make a complaint in relation to a claim, **you** can do so at any time by contacting:

Reserv Claims Analysis
275 New North Road
PMB 3077
London
N1 7AA

Telephone: +44 (0) 203 966 7626
Email: uk.complaints@reserv.com

Your complaint may require further investigation. If so, **we** will send **you** a written acknowledgment within 5 working days stating:

- How **your** complaint will be handled
- Who will handle **your** complaint
- What **you** need to do, if anything.

Your complaint will be investigated by one of **our** trained staff and a detailed response will be sent to **you** within 8 weeks of **us** receiving **your** complaint. If **you** have any concerns in the meantime, **you** can contact the person identified on the acknowledgment letter. **Our** response will either:

- Accept **your** complaint and offer some form of redress if necessary
- Reject the complaint giving full reasons for doing so
- Explain why **we** are not in a position to give **you** a final response and let **you** know when **we** expect to be able to provide it

If **you** are not satisfied with **our** final response or if **we** have been unable to resolve it within 8 weeks, **you** may be eligible to refer **your** complaint to the Insurance Division of the Financial Ombudsman Service who will independently consider **your** complaint free of charge at:

Exchange Tower, Harbour Exchange Square, London, E14 9SR.

You can also contact them on 0800 023 4567 (free from a landline), 0300 123 9123 (free from some mobile phones) or email them at complaint.info@financial-ombudsman.org.uk. Website: www.financial-ombudsman.org.uk.

Please note:

- a) You must refer your complaint to the Financial Ombudsman Service within six months of the date of **our** final response.
- b) The Financial Ombudsman Service will normally only consider a complaint from private individuals or from a business that:
 - i. has an annual turnover of less than £6.5 million (or its equivalent in any other currency); and
 - ii. a balance sheet total of less than £5 million (or its equivalent in any other currency) or fewer than 50 employees.

Using these services does not affect **your** right to take legal action.

How to make a complaint - Section three

We are committed to delivering the highest standards of customer care. **We** are always interested in **your** feedback, and **you** can contact **us** on the following telephone number or via email:

Davies Managed Systems,
Two Smithfield,
Leonard Coates Way,
Stoke On Trent,
ST1 4FD

Tel: 0344 856 2326
Email: customer.care@davies-group.com

Our commitment to **you**

- **We** will make sure all the information we give **you** will be clear, fair and not misleading.
- **We** will always try to be fair and reasonable whenever **you** need the protection of this policy.
- **We** will also act promptly to provide that protection.

If things go wrong

Whilst **we** will make every effort to maintain the highest standards, **we** recognise that there may be some occasions when **we** fail to satisfy the particular requirements of **our** customers. **We** therefore have in place procedures to investigate and remedy any area of concern. In these circumstances **we** promise:

- To acknowledge any complaint as soon as **we** receive it and at most within 5 days.
- To have the issues reviewed fairly by a person of appropriate seniority and authority.
- To identify the person managing **your** complaint in our original letter of response.

- To respond fully to **your** concern or complaint within a maximum of 8 weeks. If for any reason this is not possible, **we** will write to **you** promptly to explain why **we** have been unable to finalise the matter quickly. **We** will also let **you** know when **we** will contact **you** again.

If after 8 weeks **you** are not satisfied with **our** response or if **you** have not received one **you** may be able to refer the dispute to the Financial Ombudsman Service who will review **your** case on an independent basis. Their address is:

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

You can also contact them on 0800 023 4567 (free from a landline), 0300 123 9123 (free from some mobile phones) or email them at complaint.info@financial-ombudsman.org.uk. Website: www.financial-ombudsman.org.uk.

If **you** take any of the action mentioned above, it will not affect **your** statutory right to take legal action.

How to make a complaint - Section six: Legal expenses

ARAG always aim to give **you** a high quality service. If **you** think **ARAG** have let **you** down, you can contact **ARAG** by:

- phoning **0344 893 9013**
- emailing customer-relations@arag.co.uk
- writing to the **Customer Relations Department |**
ARAG Legal Expenses Insurance Company Limited |
Unit 4a | Greenway Court | Bedwas | Caerphilly | CF83 8DW
- completing **ARAG** online complaint form at www.arag.co.uk/complaints

Further details of **ARAG** internal complaint-handling procedures are available on request.

If you are not happy with the complaint outcome or if **ARAG** has been unable to respond to your complaint within 8 weeks, you may be able to contact the Financial Ombudsman Service for help. This is a free complaint resolution service for eligible complaints. (Details available from www.financial-ombudsman.org.uk)

You can contact them by:

- phoning **0800 023 4567** (free from mobile phones and landlines) or **0300 123 9123**
- emailing complaint.info@financial-ombudsman.org.uk
- writing to **The Financial Ombudsman Service | Exchange Tower | London | E14 9SR**

Further information is available on their website www.financial-ombudsman.org.uk

Your complaint may be more suitably handled by a comparable complaints scheme, the Legal Ombudsman Service.

You can contact the Legal Ombudsman Service at: PO Box 6806, Wolverhampton, WV1 9WJ. **You** can also contact them by telephone on 0300 555 0333 or email them at enquiries@legalombudsman.org.uk. Website: www.legalombudsman.org.uk.

Using these services does not affect **your** right to take legal action.

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the FSCS if in the unlikely event that **we** are unable to meet **our** obligations under this **policy**. If **you** were entitled to compensation under the FSCS, the level of compensation payable would depend on the nature of the insurance granted under this **policy**.

Further information about the FSCS is available from the FSCS at the address immediately below or on their website: www.fscs.org.uk

Financial Services Compensation Scheme

Address: 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU

Data protection statement (please refer to Section three: Terrorism and Section six: Legal Expenses for a separate data protection statements)

The privacy and security of **your** personal data is very important to **us** and will be properly managed with appropriate security measures in place.

We will collect and process data (including sensitive personal information) about any person insured under the **policy** for its administration, the handling of claims and the provision of customer services, and **we** may share it with related entities and with trusted service providers and agents such as lawyers, as well as other parties such as anti-fraud databases, subject to proper instruction and control.

All data may be used by **us** for generic risk assessment and modelling purposes but will not be used or passed to any other party for marketing products or services without **your** express consent. All data provided by **you** about other people to be

insured, such as family, friends or other associates, must be with their permission. It is your responsibility to inform them about **our** use of their personal data.

Data will not be retained for longer than necessary and unless it is further required for legal or regulatory reasons. **You** have a number of rights in relation to the data, including the right to request a copy of the information, to correct any inaccuracies and in certain circumstances to have it deleted. Data that may be transferred outside the European Economic Area will have equivalent protection.

For full information as to how data is processed, who it is shared with, how long it is kept or as to the exercise of any rights under any data privacy laws, please refer to **our** Privacy Policy available at <http://www.folgateitd.com/privacy-policy-folgate-underwriting/>.

For a paper copy of **our** Privacy Policy, **you** can contact **us** by:

Email: data@folgateitd.com

Post: 80 Leadenhall Street, London, EC3A 3DH

If **you** are not satisfied with the way in which any personal data has been managed by **us**, **you** may complain to the Information Commissioner's Office at:

Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF, United Kingdom
Tel: 0303 123 1113 (local rate) or 01625 545 745 (national rate)
Email: casework@ico.org.uk

Insurance premium tax

The premium payable under this **policy** may be subject to compulsory insurance premium tax, which shall be payable by **you** at the appropriate rate. The applicable insurance premium tax is shown in the **schedule** and/or on the applicable premium debit note(s) / invoice(s).

In the event that the rate or application of insurance premium tax changes during the **period of insurance** and any premium payable during the **period of insurance** is subject by law to such change or application, then that premium payable shall incorporate such change or application.

Choice of law and jurisdiction

In the absence of any agreement to the contrary, the laws of England and Wales will apply and this **policy** will be subject to the exclusive jurisdiction of the courts of England unless, at the beginning of the **period of insurance**, **you** are either:

- a) a resident of; or
- b) a **business** with its registered office or principal place of business is situated in;

Scotland, Northern Ireland, the Channel Islands or the Isle of Man (in the absence of agreement to the contrary) the law of that country, crown protectorate or dependency will apply and this **policy** will be subject to the exclusive jurisdiction of the courts of that country, crown protectorate or dependency.

Agreement to insure

The insurance provided by this **policy** is administered by Folgate Underwriting of 80 Leadenhall Street, London EC3A 3DH.

Folgate Underwriting is a trading name of Folgate Underwriting Agency Limited, which is authorised and regulated by the Financial Conduct Authority (FCA) under reference number 304782.

Folgate Underwriting has arranged the insurance provided under this **policy** in accordance with the authorisation granted to it under a contract(s) of delegated authority provided by **us** (the reference of the delegated authority agreement(s) can be found in the **schedule**).

This **policy** is an insurance contract between **us** and **you**.

Provided the premium (including the applicable insurance premium tax) has been paid by **you** in accordance with the terms of this **policy**, **we** shall provide the insurance in accordance with the terms of this **policy**.

Only **you** and **us** can enforce the terms of this **policy**. The Contracts (Rights of Third Parties) Act 1999 will not grant any additional rights under this **policy** in favour of any third party.

Our regulatory status:

1. In respect of Section one: **Buildings**, Section two: **Contents**, Section four: Property owners' liability and Section five: Employers' liability

Hadron UK Insurance Company Limited is registered in England and Wales with company number 00011615 and has its registered office at One, Fleet Place, London, England, EC4M 7WS. Hadron UK Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Reference number 202146).

2. In respect of Section three: **Terrorism**

Lancashire Insurance Company (UK) Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference Number is 450965.

You can check this on the FCA's register by visiting the website www.register.fca.org.uk or by contacting the FCA on 0800 111 6768 or 0300 500 8082.

3. In respect of Section six: Legal expenses

ARAG Legal Expenses Insurance Company Limited ('**ARAG**') is the underwriter and provides the legal protection insurance under Section six: Legal Expenses.

ARAG Head and Registered Office:

ARAG Legal Expenses Insurance Company Limited, Unit 4a, Greenway Court, Bedwas, Caerphilly, Wales, CF83 8DW. Registered in England and Wales, number 103274. Website: www.arag.co.uk.

ARAG Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority.

The above can be checked and further details obtained from:

www.bankofengland.co.uk for the PRA, and
<https://register.fca.org.uk> for the FCA

Several Liability Clause

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

Meanings of defined terms

These meanings apply throughout **your policy**. If a word or phrase has a defined meaning, it will be highlighted in bold print and will have the same meaning wherever it is used. However, Section six: Legal expenses of this **policy** has its own additional Meanings of defined terms. If the meaning of a word or phrase is defined below and the same word or phrase is defined differently under Section six: Legal expenses, the definition provided under Section six: Legal expenses applies to that section only.

Accidental damage

Loss, destruction or damage caused as a direct result of a single unexpected event.

ARAG

ARAG Legal Expenses Insurance Company Limited.

Asbestos

Asbestos in any form, asbestos fibres or particles or derivatives of asbestos or any material containing asbestos.

Bodily injury

Death, bodily injury, illness or disease.

Building(s)

The buildings at the property shown in **your schedule** including:

- landlords' fixtures and fittings; and
- all foundations or footings, and
- outbuildings, annexes, private garages, gangways, swimming pools, tennis courts, squash courts; and
- walls, gates, fences and hedges; and
- yards, car parks, roads, pavements, paved terraces, patios, paths, drives; and
- underground pipes and cables belonging to **you** or for which **you** are responsible
- tenants' improvements (but excluding moveable contents) for which **you** are responsible comprising fixtures and fittings formerly the property of tenants but relinquished to **you** at the time of the surrender of the lease
- fixed glass in windows, doors, fanlights, skylights, partitions and fixed sanitary ware for which **you** are responsible.

Business

The individual or company named in **your schedule** trading as a landlord and property owner or where **you** are responsible for property under the terms of any lease agreement including:

1. the management and upkeep of **your building** and land at the same address
2. providing and managing facilities primarily used for fire prevention, safety or security at **your building**
3. private work completed with **your** prior consent by an **employee** for **your** directors, partners or officers
4. the sale or disposal of **your business** assets.

Computer equipment

Computer equipment, component, system or item which processes, stores, transmits or retrieves data, or any part thereof, whether the property of **you** or not, whether tangible or intangible and including without limitation any information, programs or software.

Contents

Household goods, furnishings, carpets, curtains and furniture contained in the **buildings** all of which belong to **you** or for which **you** are legally responsible.

De jure or de facto

In law or as a matter of fact.

Employee

- a) any person under a contract of service or apprenticeship with **you**;
- b) any person who is hired to or borrowed by **you**;
- c) any person engaged in connection with a work experience or training scheme;
- d) any person engaged by labour only subcontractors;
- e) any self-employed person working on a labour only basis under **your** control or supervision;
- f) any voluntary helper;

while working for **you** in connection with the **business**.

Excess

The amount for which **you** are responsible as the first part of each claim as shown in the **schedule**.

Flood

The escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam. Inundation from the sea and rain induced run off, whether resulting from storm or otherwise.

Insurance broker

The insurance broker or other intermediary who arranges **your** insurance under this **policy**. The **insurance broker's** details can be found in the Terms of Business Agreement or other documentation provided by that **insurance broker** to **you**.

Limit of indemnity

The sum insured or limit of indemnity as shown in **your schedule** under each section or item.

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.

Occupant

You or a tenant authorised to stay in the **buildings**.

Period of insurance

This is the length of time covered by this insurance (as shown in the **schedule**) and any extra period for which **we** accept **your** premium.

Policy

This document and the **schedule** and any endorsements amending and attaching to this document and/or **schedule**.

Premises

The **buildings** or part of the **buildings** and grounds at the address or addresses shown in the **schedule** owned by **you** or for which **you** are legally responsible in connection with the **business**.

Sabotage

A subversive act or series of acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for these purposes.

Schedule

The signed and dated document incorporated into this **policy** identifying, amongst other things, **you** and the insurance cover **you** have purchased under this **policy**, the **period of insurance**, premium (including the insurance premium tax, if applicable), maximum amounts payable by **us**, **excess(es)** and other limitations.

Territorial limits

Great Britain (England, Scotland and Wales), Northern Ireland, the Isle of Man and the Channel Islands.

Terrorism

An act or series of acts, involving the use of force or violence, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public, in fear. An act of **Terrorism** shall include an act of **sabotage**.

Unoccupied

Any **buildings** or parts thereof that are empty, unfurnished, untenanted or not in use by **you** for more than 30 consecutive days.

In respect of **residential property**, unoccupied means unfurnished or untenanted and not resided in regularly overnight for more than 30 consecutive days.

Vermin

Rats, mice, grey squirrels, owls, pigeons, foxes, bees, wasps, or hornets.

We, us, our

The insurer named in **your schedule**.

You, your

The person(s) or company(ies) named in **your schedule**.

General conditions

In addition to the general conditions set out immediately below, conditions specific to each section may also apply and these can be found within the relevant sections of this **policy**.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to recover a claim or claims under this **policy**.

Some of the conditions below impose an obligation or obligations on **you** that require **you** to do, or not do, certain things; such conditions are referred to as a condition precedent. If **you** fail to carry out the obligation(s) (or part of an obligation) under a condition precedent, **we** may, depending on the extent of the obligation(s):

- a. not pay the claim (or part of a claim), where the loss is attributable to **your** failure to carry out the obligation(s) (or part of an obligation), and/or
- b. suspend the cover granted under this **policy**:
 - i) from the date **you** failed to fulfil the obligation(s) (or part of an obligation),
 - ii) until **you** have fulfilled the obligation(s), if fulfilment is possible.

Application of heat condition

It is a condition precedent to **our** liability in respect of **bodily injury**, loss or damage that any work involving the application of heat must only be carried out by a qualified contractor and **you** must ensure that:

- a) **you** obtain and retain a written record that such bona-fide sub-contractor has in force throughout the duration of any work undertaken by them on **your** behalf Public Liability Insurance with a limit of indemnity equivalent to that held by **you** covering legal liability for damage to property and **injury** to any person other than an **employee** and includes an indemnity to principal clause; and
- b) the area in which work is to be carried out must be adequately cleared and combustible materials must be removed to a distance not less than 6 metres from the area of proposed work; and
- c) if work is to be carried out overhead then the area beneath shall be similarly cleared and all combustible materials removed; and
- d) suitable fire extinguisher with a capacity of not less than 9 litres must be kept available for immediate use; and
- e) blow lamps and blow torches must be lit in as short a time as possible before use and extinguished immediately after use; and
- f) lighted blow lamps and torches must not be left unattended; and
- g) half an hour after each period of work a thorough examination must be made of and in the area in which works have been undertaken; and
- h) if work is to be carried out in the vicinity of composite/sandwich panels then such panels must be protected by non-combustible blankets, drapes or screens.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid, your claim may be referred to an arbitrator who is jointly appointed. Alternatively, depending on the size of **your business**, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case this will not affect **your** right to take action against **us** over this disagreement.

Cancellation of this **policy** condition

1. Cancellation during the first 14 days.

If the insurance provided under this **policy** does not meet **your** requirements and provided that no claim has been made under this **policy** or **you** are not aware of any accident, incident or **circumstance** likely to give rise to a claim under this **policy**, then **you** can cancel this **policy** within 14 days of:

- a) the start date of this insurance as shown under the **period of insurance**, or
- b) the date **you** received this **policy**,

whichever is the later.

In exercising **your** right to cancel in this way, **you** withdraw from this contract of insurance from the start date as stated in the **period of insurance** shown in the **schedule**, **we** will return to **you** the premium paid.

You can do this by advising **your insurance broker** and returning this **policy** to **your insurance broker**.

2. Cancellation in other circumstances

- a) by **you**

You can cancel this **policy** during the **period of insurance** by giving notice to **your insurance broker**.

If **you** give such notice of cancellation, the amount of return premium **we** will return to **you** will depend on:

- i. how long this **policy** has been in force, and
- ii. whether a claim has been made under this **policy** or there is a known potential claim or accident, incident or **circumstance** likely to give rise to a claim under this **policy**.

If **you** cancel this **policy** and a claim has not been made under this **policy** and there is no known potential claim or accident, incident or **circumstances** likely to give rise to a claim under this **policy**, **we** will return a share of the premium paid which shall be calculated as follows:

- i. Where the **policy** has been in force for a period up to but not exceeding 55 days from the start date as shown in the **period of insurance**, **we** shall retain 15% of the premium paid (including the applicable insurance premium tax).
- ii. Where the **policy** has been in force for a period greater than 55 days but less than 311 days from the start date as shown in the **period of insurance**, **we** shall retain that proportion of the premium paid (including the applicable insurance premium tax) that relates to the period this **policy** has been in force.
- iii. Where the **policy** has been in force for a period of 311 days from the start date as shown in the **period of insurance**, there shall be no return of premium payable.

If your **policy** is subject to survey as shown in the **schedule** then the cost of the survey will be deducted from any return premium due to **you**.

However, there will be no refund of premium:

- i. if a claim has been made under this **policy** or there is a known potential claim or accident, incident or **circumstances** likely to give rise to a claim, or
- ii. if this **policy** is subject to a minimum and deposit premium as shown in the **schedule**.
- iii. in respect of **Terrorism** extension

b) by **us**

We may cancel this **policy** by giving **you** 30 days' written notice via **your insurance broker**. The cancellation will take effect 30 days after the day **you** are notified of the cancellation, and **we** shall return the premium paid for the unused **period of insurance** (other than in circumstances where **we** invoke the 'Disclosure and accuracy of information condition' and/or the 'Fraudulent claim(s) condition' in this **policy**).

Reasons **we** may cancel this **policy** include:

- i. **you** do not co-operate or supply information or documentation that **we** request which materially affects **our** ability to process the **policy** or **our** ability to defend **our** interests; or
- ii. following a survey at any of **your premises** or sites **we** have required **you** to make risk improvements, and **you** have not completed these within a reasonable period of time advised by **us**; or
- iii. the premium has not been paid; or
- iv. threatening or abusive behaviour or the use of threatening or abusive language, intimidation or bullying of **our** staff or suppliers; or
- v. the **business** is wound up, carried on by a liquidator or permanently discontinued; or
- vi. **your** interest ceases otherwise than by death; or
- vii. the information that **we** have used to form the basis on which cover, and premium were offered changes.

In the event the extent of the change referred to in vii. above makes the risk unacceptable to **us** and **we** cannot continue to insure **you** for any further period, **we** will cancel the **policy** by giving **you** immediate notice via **your insurance broker**. The cancellation will take effect on the day **you** are notified of the cancellation, and **we** shall return the premium paid for the unused **period of insurance**.

If **you** make a fraudulent claim under this **policy** by recklessly or deliberately providing false information (see Fraudulent claim(s) condition below), then **we** shall cancel this **policy** with immediate effect from the date the fraud was committed, and the cancellation shall be in writing to **you** via **your insurance broker**.

3. Cancelling when a claim has been made

Where a claim has been made during the current **period of insurance**, the full annual premium will still be payable despite cancellation of cover, and **we** reserve the right to deduct this from any claim payment.

Change in risk information condition

If the information **you** have given **us** in relation to the insurance provided under this **policy** changes or there is any change in or variance of the risk(s), before or during the **period of insurance** then **we** need to know as it may result in:

- **us** applying different terms, and/or
- a claim not being paid (in whole or in part), and/or
- it being determined that the **policy** is no longer suitable to meet **your** needs.

You must make a fair presentation of the risk(s) to **us** if there is any change in or variance of the risk(s) before or after the start date of this insurance as shown in the **period of insurance**. An explanation of fair presentation of the risk(s) is shown under the Disclosure and accuracy of information condition under the general conditions section of this **policy**.

To enable **us** to assess any such changes or variations in information and/or risks **you** must tell **us** immediately or as soon as practicable of any such changes or variations. This can be done by advising **your insurance broker**.

Claims notification condition

In respect of any claim or potential claim or accident, incident or circumstance that may or has given rise to a claim under this **policy**, **you** must immediately or as soon as reasonably practicable:

- a) give notice of the claim to **us**; and
- b) give **us** any information **we** request including:
 - i. full information in writing of the property lost, destroyed or damaged and the amount of the **damage**,
 - ii. all proofs and information relating to the claim including time, place and cause of loss; and
- c) send **us** every letter, court order, summons or other legal documents served upon **you**; and
- d) 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 this **policy**; and
- e) notify the police of any loss or damage that has been caused by malicious persons, thieves, rioters, strikers or vandals.

Failure to comply with this claims notification condition may affect the amount **we** pay on a claim and/or the time it takes **us** to pay a claim.

Claims procedures condition

In respect of any claim under this **policy**, **you** must:

1. take, or allow others to take, practical steps to prevent further loss or damage, recover property lost and otherwise minimise the loss.
2. at **your** expense 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. not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.
4. allow **us** or anyone authorised by **us**:
 - a) access to the **building**
 - b) to take possession of, or request delivery to **us** of any **building** insured.
5. not abandon any property to **us**.
6. allow **us** complete control of any proceedings and settlement of the claim.

Failure to comply with this claims procedures condition may affect the amount **we** pay on a claim and/or the time it takes **us** to pay a claim.

Compliance with **policy** terms condition

It is a condition precedent to **our** liability that **you** observe and comply with the terms of the **policy** so far as they relate to anything to be done or complied with by **you**.

Composite panel condition

Provided it has been accepted by **us** that the **buildings** are constructed of composite panels, it is a condition precedent to **our** liability that the **occupant** must ensure the following applies in respect of any **buildings** containing composite panels:

- a) suitable fire extinguisher appliances must be supplied in all cooking areas;
- b) ducting, conduit wiring and hot flues must be adequately protected within fire resistant sleeves where passing through composite panels;
- c) weekly inspections must be undertaken by **you** to check for damage to composite panels or joint panels. Any defects found must be rectified without delay or replaced by a panel with a non-combustible core within 7 days;
- d) no repairs must be made to composite panels that involve welding, grinding, cutting or other obvious ignition sources;
- e) all heat sources must be kept at least 2 metres from any composite panelling or such panelling must be of a noncombustible core;
- f) no external storage of combustible stock, packaging, pallets, waste or waste skips or bins must be within 10 metres of the **buildings**.

Disclosure and accuracy of information condition

You must take care to give accurate and complete information relating to the insurance provided by this **policy**.

In addition to the statement of facts **you** are required to disclose to **us** information including material circumstances that fairly present the risks that are or would be insured under this **policy**.

A fair presentation of the risks means that, in addition to answering the questions asked in the statement of facts, **you** must:

- a) disclose to **us** every material circumstance which **you** know or ought to know or, failing that, sufficient information to alert **us** that **we** need to make further enquiries; and
- b) make such disclosure in a reasonably clear and accessible manner; and
- c) ensure that, in such disclosure, any material representation as to:
 - i) a matter of fact is substantially correct; and
 - ii) a matter of expectation or belief is made in good faith.

A circumstance or representation is material if it would influence **our** judgement (as a prudent underwriter) in determining whether to insure **you** and, if so, on what terms. If **you** are in any doubt as to the whether a circumstance or representation is material then **you** should disclose it.

You must advise **your insurance broker** immediately if:

- a) **you** become aware that the information **you** have given to **us** is inaccurate or incomplete;
- b) **you** have any particular concerns about any of the information **you** have provided or should provide;
- c) the level of cover **you** have selected is not adequate on a reinstatement basis. Please also see Adequacy of sums insured condition under Section conditions of each section of the Policy for further information.

If the information **you** have given **us** in relation to this insurance proves to be inaccurate or incomplete, then **we** may:

- a) amend the terms of this **policy**, which may be applied as if they were already in place prior to any claim where the validity of that claim was impacted by the inaccurate or incomplete information, or
- b) reduce the amount **we** pay on a claim in the proportion the premium paid bears to the premium **we** would have charged **you** had the information not been inaccurate or incomplete, or
- c) treat this **policy** as if it never existed, which means no claims will be paid and the premium paid under it will be returned to **you**. This will only be done if this insurance would not have been provided.

If **we** establish that **you** deliberately or recklessly provided false or misleading information in relation to the insurance provided under this **policy**, **we** will treat this insurance as if it never existed for the **period of insurance**, which means no claims will be paid and **we** will not return the premium. If this happens **we** will advise **you** via **your insurance broker**.

Electrical circuit condition

It is a condition precedent to **our** liability in respect of loss or damage that:

- a) the electrical system at the **buildings** must have been inspected and tested by a qualified member of the NICEIC (National Inspection Council for Electrical Contracting) and an electrical installation condition report must have been issued following such inspection in accordance with IET Regulations;
- b) any work specified on such condition report must have been carried out within 28 days of the inspection;
- c) the electrical installation must have been further inspected and tested within the timescales recommended on the completion and inspection certificates;
- d) **you** keep records of all certificates, reports, checks and works that have been carried out and **we** must be able to inspect these records upon request.

Excess aggregation condition

Where a claim falls to be dealt with under more than one section of this **policy**, and under the terms of those sections, **you** are responsible for the **excess** in respect **damage** under each section, **we** agree that **you** will only be responsible for one **excess** in respect of that claim.

If the **excess** differs per section, **you** will be responsible for paying the higher amount.

Fraudulent claim(s) condition

If **you** or anyone acting for **you**:

- a) knowingly makes a fraudulent or exaggerated claim under **your policy**,
- b) knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine); or
- c) knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine)

We will:

- i. have no liability to pay the fraudulent claim
- ii. be entitled to recover any payments which have been made in respect of the fraud
- iii. be entitled to treat the **policy** as cancelled with effect from the time of the fraudulent act (not the discovery of it) and retain the insurance premium
- iv. be entitled to refuse all claims arising after the date of the fraud.

We may also inform the police of the circumstances.

Instalments condition

If **you** have agreed to pay **your** premium by instalments under a linked credit agreement, the following will apply:

- a) If **you** do not pay an instalment when it is due, or if the instalment instruction has been cancelled for any reason, **you** must pay all the remaining instalments and any administration fee within 7 days of receiving the written notice. If **you** do not pay the amount **you** owe within these 7 days, **we** will be subject to the Consumer Credit Act and/or any subsequent legislation where this is applicable cancel the remaining cover under this insurance and notify **you** in writing as shown in the Cancellation of this **policy** condition.
- b) If any extra premium is needed during the **period of insurance**, it will be spread out over the remaining instalments due for that year. If **you** have already paid all **your** instalments, **you** must pay any extra premium when it is due.
- c) If **we** owe **you** any return of premium, the amount **we** owe may be taken off the instalments due for the year.
- d) If **you** have already paid all **your** instalments, **we** will pay any return premium to **you**.

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.

Non-invalidity condition

This insurance shall not be invalidated by any change of occupancy or increase of risk taking place in the **buildings** without **your** knowledge provided that **you** notify **us** immediately on becoming aware and pay any additional premium that may be required from the date of such change in line with General conditions – Change in risk information condition.

Other insurance condition

If, at the time of the claim, there is any other insurance policy covering the same loss, damage or legal liability, **we** will only be responsible for **our** proportionate share.

This condition does not apply to:

- a) Section four: Property owners' liability
- b) Section five: Employers' liability

Subrogation (our rights) condition

We will be entitled to undertake in **your** name or on **your** behalf:

- a) the defence or settlement of any claim
- b) steps to enforce rights against any other party before or after payment is made by **us**.

Any release from liability entered into in writing by **you** before the loss insured by this **policy** occurred will not affect this **policy** or **our** rights to recover from a third party.

Any amount recovered will be distributed in the following order:

- i. Any interest, (including **yours**), exclusive of any deductible or self-insured retention, suffering a loss of the type covered by this **policy** and in excess of the coverage under this **policy** will be reimbursed up to the amount of the loss (excluding the amount of the deductible);
- ii. Out of the balance remaining, **we** will be reimbursed to the extent of payment under this **policy**;
- iii. The remaining balance, if any, will be reimbursed to **you**, or any insurer providing insurance excess to this **policy**, for the amount of that insurance, deductible, self insured retention, and/or loss of a type not covered by this **policy**.

The expense of all proceedings necessary for the recovery will be apportioned between the interests concerned, including **yours**, in the ratio of their respective recoveries as finally settled. If there is no recovery and proceedings are instituted solely on **our** initiative, the expense of the proceedings will be borne by **us**.

Reasonable care condition

You must take reasonable care:

- 1. to prevent or protect against **bodily injury**, loss or damage; and
- 2. to keep **your buildings** and any property in good condition and in full working order; and
- 3. to remedy any defect or any danger that becomes apparent, as soon as possible; and
- 4. when selecting **employees**.

If **you** do not comply with this condition, **you** may not receive payment in respect of a claim.

Survey(s) condition

If **we** require a survey(s) to be undertaken at the address shown in the **schedule**, then this survey requirement(s) will be advised to **you** before the start date of the insurance provided under this **policy** as shown under the **period of insurance** and shown in the **schedule**.

In accordance with the Change in risk condition under General conditions of this **policy**, if a change or variance in risk(s) occurs which results in the requirement for a survey to be undertaken in order for **us** to consider the change or variance in risk then this survey requirement(s) will be advised to **you** at the time **you** notify **us** of the change or variance in risk and shown in the **schedule**.

In the event a survey is undertaken, it is a condition precedent to **our** liability that:

1. the survey will be undertaken by **our** authorised representative and arranged and paid for by **us**;
2. **you** shall cooperate with **us** and/or **our** authorised representative in respect of the survey(s);
3. in respect of the survey(s) and to the extent of the results of the survey(s), **we** may:
 - i) amend the terms of this **policy**, which may include a payment by **you** of an additional premium.
Such different terms, including the payment of any additional premium, shall apply on the date **you** are notified of the amended terms or at a later date if advised to **you**, in writing, by **us**, and/or:
 - ii) require **you** to implement any requirements arising from the survey(s) as advised to **you** by **us**;
 - iii) cancel the **policy** with immediate effect should the survey reveal any information provided by **you** relating to this insurance proves to be inaccurate and/or incomplete.
4. **you** shall pay any additional premium, comply with amended terms and implement any requirements arising from the survey(s) within the timeframe, all as advised to **you** in writing by **us**.

Your failure to implement any requirements arising from the survey(s) as advised to **you** by **us** may result in your policy being cancelled in accordance with 'General conditions – Cancellation of this policy condition'.

Our right to make inspections, the actual inspections or any report produced as a result are not on behalf of or for the benefit of **you** or any other party or to determine or warrant that the property is safe.

Unoccupied properties condition

It is a condition precedent to **our** liability that when any **building** (or any portion thereof) becomes **unoccupied**:

- a) **you** must tell **us** as soon as possible that the **building** or any portion thereof is **unoccupied** and when any **building** or portion thereof becomes re-occupied;
- b) **you** must tell **us** of any damage to the **unoccupied building** whether the damage is insured or not;
- c) **you** or **your** authorised representative must:
 - i. ensure all the main services are turned off or disconnected (except the electricity supply to maintain any fire or intruder alarm system); or
 - ii. as an alternative to c) i. above, leave the main services turned on to the keep the central heating system working at a minimum temperature of 10°C during the period starting 1st October and ending 31st March each year provided always that outside of this period c) i. above will apply;
 - iii. carry out a thorough inspection of the **building** at least once a week and carry out any work necessary to maintain the security of the **building** as soon as possible;
 - iv. remove all refuse and waste materials from the **building** following such inspection and ensure no accumulation of refuse and waste is allowed in adjoining yards or space owned by **you**;
 - v. ensure the **building** is secured against any unlawful entry;
 - vi. ensure all damage to the **building** must be rectified as soon as possible;
 - vii. secure the **building** and put all protective locking devices and any alarm protection into effective operation;
 - viii. seal all letterboxes;
 - ix. ensure the final exit door of the **building** is secured by an appropriate mortice deadlock which has five or more levers and conforms to British Standard (BS) 3621 or European Norm (EN) 1303 together with a matching metal box striking plate, installed in accordance with the manufacturers recommendations;
 - x. implement any additional protections that **we** may require within the timescale **we** specify;
 - xi. maintain a written record of inspections undertaken as required by c) iii. above.

We will not be liable for any claim where loss or damage is excluded if the **building** (or portion thereof) is **unoccupied** unless **we** have agreed to provide such cover and such agreement is shown in the **schedule**.

General exclusions

In addition to the general exclusions set out immediately below, exclusions specific to each section also apply and these can be found within the relevant sections of this **policy**.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to recover a claim or claims under this **policy**.

Asbestos exclusion

We will not cover any claims, or any other loss or expense caused by, resulting or arising from, or in any way relating to:

1. actual or alleged inhalation or ingestion of **asbestos**; and/or
2. actual or alleged exposure to or fear of the consequences of exposure to **asbestos**; and/or
3. the presence of **asbestos** in any property or on land (found or suspected); and/or
4. costs incurred in repairing, removing, replacing, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of **asbestos**, including any product containing **asbestos**.

This exclusion will not apply to:

- a) any claims arising from the accidental discovery of **asbestos** and/or materials suspected to be **asbestos** or to contain **asbestos** fibre, and
- b) Section five: Employers' liability but the **limit of indemnity** shall be reduced to the minimum amount as required by law.

Communicable disease exclusion

We will not cover any claim or loss(es), including any physical loss or **damage**, financial loss, cost, expense, fine, penalty, injury or any liability caused by, arising out of, resulting from, contributed to by, occasioned by or resulting from, in consequence of, in any way involving, occurring concurrently or in any sequence with:

1. coronaviruses; and
2. coronavirus disease (COVID-19); and
3. severe acute respiratory syndrome coronavirus 2 (SARS – CoV – 2); and
4. any mutation of or variation of 1, 2 or 3 above.
5. any other Communicable Disease; or
6. the fear or threat (whether actual or perceived), or anticipation of 1, 2, 3, 4 and 5 above, regardless of any other cause or event contributing concurrently or in any other sequence thereto; or
7. government regulation, advice or restriction(s) as a result of 1, 2, 3, 4 and 5 above; or
8. any cost or expense incurred to clean, detoxify, remove, decontaminate, sanitise, neutralise, sterilise, monitor or test for 1, 2, 3, 4 and 5 above.

For the purpose of this exclusion, "Communicable Disease" means any infectious or contagious substance:

- a) including, but not limited to, a virus, disease, bacterium, parasite, pathogen, bacterial infection, viral infection, microbial infection, biological infection, or other organism or any mutation thereof, whether deemed living or not, whatever the type or strain, in whatever form or quantity; and
- b) regardless of the method of transmission, whether direct or indirect, including, but not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between humans, animals, or from any animal to any human or from any human to any animal;

which:

- i. can cause or threaten damage to human health or human welfare, or causes or threatens damage, deterioration, loss of value, marketability or loss of use to tangible or intangible property insured; or
- ii. is declared an epidemic or public emergency by the government, public authority, local authority or any other governing body responsible for public health; or
- iii. is declared a pandemic, global viral emergency or a Public Health Emergency of International Concern (PHEIC) by the World Health Organisation; or
- iv. is notifiable to the government or a local authority under any law, order, act or statute.

This exclusion shall not apply to Section five: Employers' liability but the **limit of indemnity** shall be reduced to the minimum amount as required by law.

For the avoidance of doubt, no coverage extension, additional coverage, global extension, exception to any exclusion or other coverage grant, other than in respect of the cover provided as shown in the bullet points above, shall afford any coverage that would otherwise be excluded by this exclusion.

Cyber and data exclusion

We will not pay any loss, damage, liability, claim, fines, penalties, fees, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

1. any **cyber act** or **cyber incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **cyber act** or **cyber incident**; or
2. any loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft of any **data**, including any amount pertaining to the value of such **data**;
3. the receipt or transmission of malware, malicious code or similar by **you** or any other party acting on **your** behalf.
4. any failure or interruption of service provided:
 - a) to **you** or any other party acting on **your** behalf by an internet service provider, telecommunications provider or cloud provider but not including the hosting of hardware and software owned by **you**;
 - b) by any utility provider, but only where such failure or interruption of service impacts a **computer system** owned or controlled by **you** or any other party acting on **your** behalf;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

If **we** allege that by reason of this exclusion that any loss sustained by **you** is not covered by this **policy**, the burden of proving the contrary shall be upon **you**.

However, this exclusion shall not apply to claims admissible under:

- i. Section four: Property owners' liability extra benefits - Data Protection Act 2018; or
- ii. Section five: Employers' liability but the **limit of indemnity** shall be reduced to the minimum amount as required by law.

For the purposes of this endorsement the following definitions apply:

Computer system means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by **you** or any other party.

Cyber act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or 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 system**.

Cyber incident means:

- a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **computer system**; or
- b) 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 system**.

Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **computer system**.

Date recognition exclusion

We will not cover damage caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date. But **we** will cover subsequent damage resulting from an insured cause, which is not excluded elsewhere in the **policy**.

This exclusion shall not apply to Section five: Employers' liability but the **limit of indemnity** shall be reduced to the minimum amount as required by law.

Existing loss and damage exclusion

We will not cover any claim or loss(es), including but not limited to any physical loss, financial loss, cost, expense, fine, penalty, injury, liability and/or any physical damage occurring before or arising from an event before the **period of insurance**.

Illegal and criminal acts exclusion

We will not cover any claim or loss(es), including but not limited to any physical loss, financial loss, cost, expense, fine, penalty, injury, liability and/or any physical damage caused by, arising out of, resulting from, contributed to by, in connection with or in any way involving:

1. illegal activities,
2. deliberate and/or criminal acts;

undertaken or committed by **you** or any **occupants**, other than in respect of the cover provided by Section one: **Buildings** extra benefits - Illegal cultivation of drugs cover.

Maintenance related damage exclusion

We will not cover any claims or any other loss or expense resulting or arising from, caused or contributed to by:

- wear and tear, the action of light or atmosphere, corrosion, dampness, mould, dryness, marring, bruising or deterioration, rot of any kind, woodworm, fungus, mildew, rust, insect, **vermin**, parasites, infestation, mould, moth,
- any gradually operating cause, mechanical or electrical faults or breakdown,
- shrinkage, evaporation or loss of weight,
- chewing, tearing, scratching or fouling by animals,
- the cost of general maintenance.

North America exclusion

We will not provide any cover under this **policy** in respect of any judgement award or settlement made within countries under the laws of the United States of America or Canada, or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part.

Northern Ireland exclusion

We will not pay any claim where that claim is caused by, arises from, relates to or is contributed to by:

- a) any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
- 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 caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious people;

occurring in Northern Ireland.

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

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

This exclusion shall not apply to Section five: Employers' liability but the **limit of indemnity** shall be reduced to the minimum amount as required by law.

Offshore exclusion

We will not cover any loss, destruction, damage or legal liability caused by or arising from any **business** activities undertaken **offshore**.

PFAS (perfluorinated compounds, perfluoroalkyl and polyfluoroalkyl substances) absolute exclusion

We will not cover any claim or loss(es), including any physical loss or damage, financial loss, cost, expense, fine, penalty, injury or any liability caused by, arising out of, resulting from, contributed to by, in connection with or in any way involving PFAS, as defined below.

This exclusion applies to:

1. any bodily injury, property damage, personal and advertising injury loss, liability, damage, compensation, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with the actual, alleged, or threatened contaminative, pathogenic, toxic or other hazardous properties of PFAS; and
2. any and all losses, costs and expenses resulting from any claim, litigation, dispute, arbitration, investigation or any other legal proceeding or dispute resolution in whole or in part directly or indirectly caused by, arising out of, resulting from, based upon or in any way related to, any of the following conducts, included but not limited to:
 - a) actual, alleged or threatened inhalation of, ingestion of, consumption of, contact with, exposure to, existence of or presence of PFAS-containing products or materials; or
 - b) design, manufacturing, production, use, sale, installation, placing on the market, removal, distribution, handling, packaging, storage, marketing, processing of or any other similar business-related activity relating to PFAS-containing products or materials; or
 - c) testing for, monitoring, cleaning up, abating, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of or in any way responding to, or assessing the effect(s) of PFAS-containing products or materials; or
 - d) failure to report any PFAS-containing products or materials to authorities; or

- e) failure to warn of potential consequences arising from, or the inadequacy of any warning, relating to any of the conduct described in a) through d) above.

If **we** allege that by reason of this exclusion that any loss sustained by **you** is not covered by this **policy**, the burden of proving the contrary shall be upon **you**.

For the purposes of this exclusion, the following definition applies:

“PFAS” means perfluorinated compounds, perfluoroalkyl and polyfluoroalkyl substances in any form, including but not limited to:

- a) any organic molecule, salt, free radical or ion, the composition of which includes at least one of the following:
 - i. perfluorinated methyl group (-CF₃); or
 - ii. perfluorinated methylene group (-CF₂-); or
- b) any breakdown of any organic molecule, salt, free radical or ion, the composition thereof; or
- c) any good, product or material that has the same or similar chemical formula or structure as such perfluorinated compounds, perfluoroalkyl and polyfluoroalkyl substances; or
- d) its presence or use in any alloy, by-product, compound or other material or waste that includes or is derived from such compounds or substances.

Pollution or contamination exclusion

We will not cover loss, destruction, damage or legal liability caused by or arising out of pollution or contamination except (unless otherwise excluded) destruction or damage to the property insured caused by:

1. pollution or contamination which itself results from a peril hereby insured against; or
2. any peril hereby insured against which itself results from pollution or contamination.

Radioactive contamination exclusion

We will not cover any claims or any other loss or expense resulting or arising from, caused or contributed to by:

1. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
2. the radioactive, toxic, explosive or other hazardous properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof.
3. any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter.
4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.
5. any chemical, biological, bio-chemical or electromagnetic weapon release or exposure of any kind.

This exclusion does not apply to Section five: Employers' liability but the **limit of indemnity** shall be reduced to the minimum amount as required by law.

Sanction(s) restrictions exclusion

We will not cover any claims, or any other loss or expense under this **policy** to the extent that providing cover, payment of any claim or the provision of any benefit would breach any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Terrorism exclusion

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

1. any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
2. any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

In any action, law suit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered because of this exclusion it will be **your** responsibility to prove that they are covered.

This exclusion does not apply to:

- Section one: **Buildings** and Section two: **Contents**, where **your schedule** shows these as covered, if you have purchased Section three: **Terrorism**. **Your schedule** will show if **you** are covered under Section three: **Terrorism**.
- Section five: Employers' liability but the **limit of indemnity** shall be reduced to the minimum amount as required by law.

War risks exclusion

We will not cover:

1. any claims caused by or happening through war, invasion, act of foreign enemy hostilities or warlike operations (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power; or
2. confiscation, nationalisation, requisition or **damage** to any property by or under the order of any government or public or local authority.

This exclusion also does not apply to Section five: Employers' liability but the **limit of indemnity** shall be reduced to the minimum amount as required by law.

Section one: Buildings

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

What is covered	What is not covered
<p>If any building is damaged during the period of insurance by any of the following insured perils, we will at our option, pay you for the value of the building at the time it is damaged or the amount of the damage, or reinstate or replace the building or any part of it.</p> <p>We will pay you up to the limit of indemnity in respect of any one claim or a series of claims arising out of one occurrence for loss or damage to the building occurring during the period of insurance.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; or consequential loss or damage of any kind or description except 'Section one: Buildings extra benefit - Loss of rent and costs for alternative accommodation'; and/or any building more specifically insured by you or on your behalf; and/or loss or damage which results from acts of fraud or dishonesty by you, your employees or any other person who is responsible for the building or results from voluntarily parting with title or possession of any building as a result of a fraudulent scheme, trick, device or false claim; and/or loss or damage arising from faulty or defective workmanship, design or materials.
<p>Insured perils</p> <p>1. Fire (including subterranean fire), explosion, lightning or earthquake.</p>	
<p>2. Storm or flood</p>	<p>Loss or damage:</p> <ul style="list-style-type: none"> caused by frost, subsidence, ground heave or landslip; and/or caused solely by change in water table levels; and/or to radio or television aerials, fixed satellite dishes, their fittings or masts; and/or to hedges, fences, gates and moveable property in the open.
<p>3. Escape of water from any tank, apparatus or pipe (including damage to any fixed tank apparatus or pipe, caused by freezing or forcible and violent bursting) or escape of oil from any fixed heating installation or appliance.</p>	<p>Loss or damage:</p> <ul style="list-style-type: none"> in respect of any building or portion thereof which is unoccupied; and/or caused by subsidence, ground heave or landslip; and/or to fixed oil tanks and swimming pools; and/or to the installation or appliance; and/or if the installation or appliance is outdoors or in an outbuilding, unless the installation or appliance is connected to a heating boiler protected by a frost-stat device.
<p>4. Riot, civil commotion, strikers, locked-out workers, or persons taking part in labour disturbances or malicious acts or vandalism.</p>	<p>Loss or damage:</p> <ul style="list-style-type: none"> in respect of any building or portion thereof which is unoccupied; and/or caused by confiscation, destruction or requisition by order of the Government or any Public Authority; and/or arising from stoppage of work; and/or

	<ul style="list-style-type: none"> caused by you or your employees; and/or caused by theft or attempted theft.
5. Impact with the buildings by aircraft, other aerial devices including articles dropped from them or by any vehicle, train, animal, falling tree or branch, aerial or mast or satellite dish.	<p>Loss or damage:</p> <ul style="list-style-type: none"> caused by or consisting of pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.
6. Theft or attempted theft (including damage to the building for which you are responsible), involving entry to or exit from the buildings by forcible or violent means; or Theft by violence or threat of violence to you or your family or employees .	<p>Loss or damage:</p> <ul style="list-style-type: none"> in respect of any building or portion thereof which is unoccupied; and/or caused by any occupant, your employees or guests; and/or to moveable property in the open and garden landscaping.
7. Subsidence, ground heave or landslip of any part of the buildings	<p>Loss or damage:</p> <ul style="list-style-type: none"> to swimming pools, paved terraces, yards, car parks, drives, roads, paths, pavements, patios, walls, gates and fences, unless also affecting the structure of the buildings insured; and/or caused by the normal settlement or bedding down of new structures; and/or caused by the settlement or movement of made up ground; and/or caused by coastal or river erosion; and/or caused to solid floor slabs or damage resulting from them moving, unless the foundations beneath the supporting walls of the buildings are damaged at the same time and by the same cause; and/or the action of chemicals on or the reaction of chemicals with any material which form part of the buildings; and/or to the buildings which compensation has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law; and/or originating prior to the start of the period of insurance; and/or caused by fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe; and/or arising from demolition, construction, structural alteration, repair, groundworks or excavation at the buildings.

Section one: **Buildings** optional peril extension

Your schedule will show **you** if this optional peril has been purchased by **you**.

What is covered	What is not covered
<p>Accidental damage to buildings</p> <p>Subject to the terms of Section one: Buildings and the other applicable policy terms, we will pay you up to</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; and/or

<p>the limit of indemnity shown in the schedule in respect of any one claim or a series of claims arising out of one occurrence for accidental damage to buildings occurring during the period of insurance, provided you have purchased this optional peril.</p>	<ul style="list-style-type: none"> ▪ loss or damage caused by any process of cleaning, repairing, dyeing, renovating or maintaining the buildings; and/or ▪ loss or damage specifically excluded in Insured perils 1-7; and/or ▪ mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment where the breakdown or derangement originates; and/or ▪ loss or damage arising from movement, settlement, shrinking, collapsing or cracking of the buildings.
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Section one: **Buildings** extra benefits

Subject to the terms of Section one: **Buildings** and the other applicable **policy** terms, the following extra benefits are automatically included under Section one: **Buildings**. Your **schedule** will show **you** are covered under Section one: **Buildings**.

What is covered	What is not covered
<p>Accidental breakage</p> <p>We will pay reasonable costs and expenses in respect of any one claim or a series of claims arising from the same occurrence for accidental breakage of:</p> <ul style="list-style-type: none"> ▪ fixed glass forming part of the buildings (including the cost of necessary boarding up before replacing broken glass). ▪ fixed sanitary fittings ▪ ceramic glass in cooker hobs of built-in units ▪ fixed solar panels forming part of the buildings. <p>The maximum amount we will pay for any one claim under Section one: Buildings will not exceed the limit of indemnity.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> ▪ the excess; and/or ▪ loss or damage while the buildings are unoccupied.
<p>Accidental damage to underground services</p> <p>We will pay the cost of repairing accidental damage for which you are responsible and occurring during the period of insurance 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 buildings or connecting the building to the public mains.</p> <p>The maximum amount we will pay for any one claim under this cover is £5,000.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> ▪ the excess; and/or ▪ the cost of clearing blocked sewer pipes, drains, soakaways, pipes or tanks.
<p>Building fees</p> <p>We will pay reasonable costs of architects', surveyors', civil engineers', solicitors' and other fees necessarily incurred to repair or rebuild the buildings following damage giving rise to a claim paid or payable under Section one: Buildings.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> ▪ any costs for preparing a claim.
<p>Capital additions</p> <p>This insurance shall, subject to the terms and conditions, extend to cover:</p> <ul style="list-style-type: none"> ▪ any newly acquired and/or newly erected buildings, machinery, plant, all other contents or buildings in the course of erection (excluding any property for which a building contractor is responsible), and 	

<ul style="list-style-type: none"> alterations, additions and improvements to buildings but not in respect of any appreciation in value; <p>anywhere in the United Kingdom, provided that:</p> <p>a) you undertake to give particulars of such extension of cover as soon as practicable (but not exceeding 6 months after cover has applied) and to effect specific insurance thereon retrospective to the date of the commencement of our liability;</p> <p>b) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under (a) above.</p> <p>The maximum amount we will pay is 10% of the limit of indemnity or £500,000 whichever is the greater for each item.</p>	
<p>Drains clearance</p> <p>We will pay 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 or for which you are responsible, caused by damage to your building otherwise insured under this policy occurring during the period of insurance.</p> <p>The maximum amount we will pay for any one claim under this extension is £5,000.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess.
<p>Emergency access</p> <p>We will indemnify you for costs incurred following damage to the building caused by the police or persons acting under their control in gaining access to the building as a result of concern for the welfare of the tenant(s) or to prevent or mitigate damage to the building by a cause insured under Section one: Buildings.</p> <p>The maximum amount we will pay during any one period of insurance is £5,000.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; and/or for any costs incurred following damage caused by the police in the course of a criminal investigation or as a result of unlawful activities at the building.
<p>Extinguishment and alarm resetting expenses</p> <p>We will pay you for the cost of resetting fire alarms and replacing and/or replenishing extinguishment materials when you, your employees or the fire brigade attempt to extinguish or minimise loss by fire occurring during the period of insurance, provided that the costs and expenses cannot be recovered from the public authority responsible.</p> <p>The maximum amount we will pay for any one claim under this extension is £10,000.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess.
<p>Fly tipping cover</p> <p>We will pay for reasonable costs incurred in clearing and removing any property illegally deposited in the building during the period of insurance.</p> <p>The maximum amount we will pay for any one claim under this extension is £500, and a maximum of £5,000 for all claims in total during any one period of insurance.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess.
<p>Illegal cultivation of drugs</p> <p>In accordance with Section one: Buildings conditions – Illegal cultivation of drugs condition, we will cover you for the necessary remedial works arising from the use of</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess

<p>your building by your tenants for the manufacture, cultivation, harvesting or processing by any other method of drugs classed as controlled substances under the Misuse of Drugs Act (1971).</p> <p>The maximum amount we will pay for all claims occurring during any one period of insurance is £5,000.</p>	
<p>Landscaped gardens cover</p> <p>We will pay you for the cost of restoring any damage caused by the emergency services to landscaped gardens, which you are responsible for, when the emergency services are attending the buildings as a result of damage insured under Section one: Buildings.</p> <p>The maximum amount we will pay for any one claim under this extension is £25,000.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess.
<p>Loss of metered water</p> <p>We will pay you for the additional domestic metered water charges incurred by you as a result of loss or damage giving rise to a claim paid or payable under Section one: Buildings, provided that repairs to the source of damage are completed within 30 days of the damage being discovered.</p> <p>The maximum amount we will pay is £25,000 in total for all claims occurring during the period of insurance.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; and/or charges incurred for any building that is unoccupied; and/or charges incurred after the source of damage is repaired or 30 days after the date the damage occurred, whichever the sooner.
<p>Loss of rent and costs for alternative accommodation</p> <p>If the buildings cannot be lived in as a result of damage caused by an operative insured peril which renders the buildings uninhabitable, we will pay up to 20% (or 30% if you have purchased the Loss of rent extension as shown in your schedule) of the limit of indemnity in respect of Section one: Buildings for:</p> <ul style="list-style-type: none"> the rent you would have received from an existing tenant if the buildings could have been lived in; or a) the cost of reasonable alternative accommodation and temporary storage of your tenants' furniture if this is necessary for your tenant and/or, if you permanently live in the buildings, you and your household who normally lives with you; and b) the cost of reasonable accommodation in kennels and/or catteries for dogs and/or cats belonging to your tenant and/or, if you permanently live in the buildings, you and your household who normally lives with you, where such pets are not permitted in any alternative accommodation. 	<p>We will not pay:</p> <ul style="list-style-type: none"> any loss of rent for any buildings that became unoccupied immediately before the loss or damage giving rise to a claim; and/or any share of the rent or other expenses you must pay the letting agent.
<p>Malicious damage by tenants</p> <p>We will indemnify you against damage caused during the period of insurance by the malicious actions of a tenant or their family occupying the building or portion of any building.</p> <p>The maximum amount we will pay for any one claim under this extension is £5,000, and a maximum of £25,000 for all claims in total during any one period of insurance.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; and/or any loss or damage by theft or attempted theft caused by a tenant or their family occupying the building or portion of any building.
<p>Removal of debris</p> <p>We will pay costs and expenses necessarily incurred by you with our consent in:</p>	<p>We will not pay for costs and expenses:</p>

<ul style="list-style-type: none"> removing debris; dismantling and/or demolishing; and shoring up or propping; <p>the portion or portions of the buildings insured as a result of loss or damage insured against under this policy.</p> <p>The maximum amount we will pay for any one claim under Section one: Buildings will not exceed the limit of indemnity.</p>	<ul style="list-style-type: none"> incurred in removing debris except from the site of such building destroyed or damaged, and the area immediately adjacent to the site.
<p>Removal of debris (tenants' contents)</p> <p>We will pay costs and expenses necessarily incurred by you with our consent to remove the debris of tenants' contents as a result of loss or damage insured against under this policy.</p>	<p>We will not pay for costs and expenses:</p> <ul style="list-style-type: none"> in respect of tenants' contents insured under any other policy; and/or incurred in removing debris except from the site of the damaged building and the area immediately adjacent to the site.
<p>Removal of nests cover</p> <p>We will pay you for any one claim for the cost of removing wasps, bees or hornets' nests from the building discovered during the period of insurance.</p> <p>The maximum amount we will pay for any one claim under this extension is £1,000.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess.
<p>Sale of property insured</p> <p>If at the time of damage giving rise to a valid claim under Section one: Buildings, you have entered into a contract to sell your interest in the building and the sale has not but is subsequently completed, the purchaser will have the full protection of Section one: Buildings on exchange of contracts</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> loss or damage to buildings if the purchaser is insured under any other insurance policy.
<p>Theft damage to building fabric</p> <p>We will pay you for:</p> <ul style="list-style-type: none"> damage to the external fabric of the building as a result of theft or attempted theft; or damage following entry of rainwater as a result of theft or attempted theft of the external fabric of the building; <p>occurring during the period of insurance.</p> <p>The maximum amount we will pay during any one period of insurance is £10,000 for any one claim up to a maximum of £25,000 in total during any one period of insurance.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; and/or loss or damage incurred for any building that is unoccupied; and/or loss or damage to building that has scaffolding erected.
<p>Replacement lock and key cover</p> <p>We will pay you for the cost of replacing external door locks after the loss of keys due to:</p> <ul style="list-style-type: none"> theft from the building, registered office or from your home or the home of or any principal, director, partner or employee authorised to hold such keys; or theft following hold-up when the keys are in the personal custody of you 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; 	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess.

<p>occurring during the period of insurance.</p> <p>The maximum amount we will pay for any one claim under this extension is £2,500 (or any higher amount shown in your schedule) in respect of any one claim or a series of claims arising from the same occurrence.</p>	
<p>Trace and access</p> <p>We will pay the reasonable costs incurred by you with our consent in locating the source of loss or damage to buildings as a result of:</p> <ul style="list-style-type: none"> the escape of water from any tank, apparatus or pipe; or accidental damage to cables, underground pipes or drains serving the buildings. <p>We will also pay for the repairs required to walls, floors or ceilings caused by locating the source of damage.</p> <p>The maximum amount we will pay in respect of any one claim during the period of insurance is £5,000 and £25,000 for all claims in total during the period of insurance.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> for loss or damage to buildings caused by rising ground water levels.
<p>Tree felling and lopping</p> <p>We will pay you for the costs incurred in removing or lopping trees, by a professionally qualified tree surgeon or tree feller, which are an immediate threat to the safety of life or of damage to the building, where such threat first appears during the period of insurance.</p> <p>The maximum amount we will pay for any one claim under this extension is £1,000 with a maximum amount payable in respect all claims in total during any one period of insurance of £2,500.</p>	<p>We will not be liable for:</p> <ul style="list-style-type: none"> legal or local authority costs involved in removing trees; and/or costs incurred solely to comply with a Preservation Order the excess.
<p>Unauthorised use of electricity, gas, oil and water</p> <p>We will pay you for the charges that you are responsible for if gas, electricity, oil or water is discharged from a metered system during the period of insurance, arising from unauthorised use by persons taking possession, keeping possession or occupying the building without your authority, provided that you take all reasonable steps to terminate the unauthorised use as soon as it is discovered.</p> <p>The maximum amount we will pay for any one claim under this extension is £25,000.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess.

Section one: **Buildings** conditions

In addition to the general conditions set out under the General conditions section of this **policy**, conditions specific to Section one: **Buildings** shall apply and are set out immediately below.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to recover a claim or claims under this **policy**.

Adequacy of sums insured condition

You have stated the 'declared value' shown in **your schedule** for the **building**, and the premium has been calculated accordingly.

If at the time of any loss or damage, the 'declared value' applying to this section is less than 85% of the total rebuild value of the property insured then **you** will be responsible for a proportionate share of the claim.

Your share of the claim will be calculated according to the remedies shown under the Disclosure and accuracy of information, General condition of the policy.

'Declared value' means **your** assessment of the cost of fully rebuilding the **building** at the level of costs applying at the start of the **period of insurance** including but not limited to:

- cost of materials,
- labour costs,
- professional fees, such as surveyors and architects,
- site clearance/removal of debris costs,
- the additional cost of reinstatement to comply with public authority requirements,
- non-recoverable VAT.

Contribution condition

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

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 that the **limit of indemnity** bears to the value of the **building** insured.

Day one basis of settlement condition

The amount payable for **buildings** under sums shown as the 'sum insured' in **your schedule** will be calculated as reinstatement of the damaged **building**.

For this purpose, depending on the extent of damage, reinstatement means:

1. the rebuilding or replacement of damaged **building**, which provided **our** liability is not increased may be completed:
 - a) in any manner suitable to **your** requirements
 - b) on a different site, or
2. the repair or restoration of damaged **building**

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

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

'Declared value' means **your** assessment of the cost of fully rebuilding the **building** at the level of costs applying at the start of the **period of insurance** (ignoring inflationary factors occurring after the start of the **period of insurance**) including but not limited to:

- cost of materials,
- labour costs,
- professional fees, such as surveyors and architects,
- site clearance/removal of debris costs,
- the additional cost of reinstatement to comply with public authority requirements,
- non-recoverable VAT.

Provided that:

1. At the start of each **period of insurance** **you** must tell **us** the declared value of each **building**. If the declared value is not provided at the time of renewal (if applicable), the current declared value will be taken as the declared value for the next **period of insurance**.
2. If, in respect of a valid claim under this **policy**, at the time of the damage the declared value of the **building** **you** are claiming for 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 **building** damaged in part only, will not exceed the amount which would have been paid had the **building** 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 extension:
 - a) unless reinstatement starts and proceeds without unreasonable delay
 - b) until the cost of reinstatement has been incurred
 - c) if the **building** at the time of the damage is insured by any other insurance which is not on the same basis of reinstatement.

If **you** do not comply with item 4 immediately above or **you** decide not to rebuild the **building** in a condition equal to but not better or more extensive than its' condition when new, then this extension is invalid and what **we** will pay in respect of the damage will be subject to the following condition of average (under insurance):

The cover for each **building** is subject to the Adequacy of sum insured condition. Therefore, if at the time of any loss or damage, the 'declared value' applying to this section is less than 85% of the total rebuild value of the property insured then you will be responsible for a proportionate share of the claim.

European Community and public authorities condition

If a claim is paid or payable under Section one: **Buildings**, this **policy** extends to include such additional cost of reinstatement as may be incurred solely due to the necessity to comply with the stipulations of:

1. European Community Legislation; or
2. Building or other regulations under or there to support, any Act of Parliament or Bye-laws of any Public Authority referred to as the stipulations for:
 - a) the damage to the **building**
 - b) undamaged portions of the **building**

Excluding:

1. the cost incurred in complying with the stipulations:
 - a) for damage occurring prior to the granting of this extension
 - b) for damage not insured by Section one: **Buildings**
 - c) where **you** have been served notice prior to the damage occurring
 - d) where there is an existing requirement which has to be implemented within a given period
 - e) for property entirely undamaged by any insured event
2. the additional cost that would have been required to repair the damaged **building** to a condition equal to its condition 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 **building** or by the owner to comply with the stipulations.

Provided that:

1. Reinstatement work must be started and carried out without unreasonable delay and must be completed within 12 months after the damage or any further time that **we** agree (during those 12 months),
2. Reinstatement may be carried out on another site (if the stipulations require) subject to **our** liability under this extension not being increased,
3. If **our** liability under Section one: **Buildings** is reduced by the application of any of the terms of this **policy**, **our** liability for European Community and public authorities extension will be reduced proportionately,
4. The total amount recoverable for any property will not exceed its **limit of indemnity**.

Explosion condition

It is a condition precedent to **our** liability that you that any vessel, machinery or apparatus and/or its contents belonging to **you** or under **your** control, which need examination to comply with any statutory regulations, has in place a contract providing the required inspection.

Fire extinguishing appliances condition

It is a condition precedent to **our** liability that fire extinguishing equipment belonging to **you** or under **your** control must be:

- maintained in efficient working order; and
- routinely tested and any defects promptly rectified.

Illegal cultivation of drugs condition

It is a condition precedent to **our** liability that **you**:

1. carry out internal and external inspections of the **building** at least every 3 months or as frequently as permitted under the tenancy agreement and:
 - a) maintain a log of those inspections and retain that log for at least 24 months; and
 - b) carry out a 6 monthly management check of the inspections log; and
2. obtain satisfactory credit references of all tenants and any prospective tenant from a licensed Credit Referencing Agency prior to granting the tenancy with the tenant having given permission for this information to be released to **us** in the event of a claim; and
3. obtain and record details of **your** tenants' bank account and verify those details by receiving rental payments from that account; and
4. obtain and record a written formal identification of all tenants and any prospective tenant; and
5. do not permit any sub-letting of **your building**.

Index linking condition

We 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.

If **you** make a claim, index linking will continue during the period when the repair or rebuilding is being carried out, as long as **you** take reasonable action for the repair or rebuilding to be carried out immediately.

Maintaining the sum insured condition

After **we** have settled a claim, **we** will not reduce the **limit of indemnity**, as long as **you** take any reasonable measures **we** suggest to prevent any further loss or damage. **We** will not charge any extra premium for maintaining the sum insured.

Malicious **damage** by tenants' condition

It is a condition precedent to **our** liability that **you**:

1. obtain satisfactory credit references of all tenants and any prospective tenant from a licensed Credit Referencing Agency prior to granting the tenancy with the tenant having given permission for this information to be released to **us** in the event of a claim; and
2. obtain and record details of **your** tenants' bank account and verify those details by receiving rental payments from that account; and
3. obtain and record a written formal identification of all tenants and any prospective tenant; and
4. do not permit any sub-letting of **your building**.

Mortgagees and other interests condition

The interests of the leaseholder(s), mortgagee(s) and tenant(s) in the individual portions of the **building** which you are required to include on this **policy** are automatically noted subject to **you** advising **us** in the event of a claim.

Reinstatement condition

We will decide whether to pay the cost of repairing or replacing the part of the **buildings** damaged or destroyed if:

- the 'declared value' is enough to pay to rebuild the **buildings**;
- the repair or rebuilding is carried out immediately after **we** give **our** approval (other than emergency repairs, which should be carried out immediately); and
- the **buildings** are in a good state of repair.

If the loss or damage to the **buildings** is not repaired or replaced as **we** have explained above, then **we** will pay either:

- the cost of repairing or replacing the damage, less a deduction for wear and tear; or
- the difference between the market value of the **buildings** immediately before the damage and their value after the damage.

We will not pay the cost of replacing any undamaged or unbroken item or parts of items forming part of a pair, set, suite or collection of the same type, colour or design if the damage happens to one particular area or to a specific part and replacements cannot be matched.

Roof and gutter maintenance condition

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

1. the roof of the **premises** is maintained in an effective condition, and
2. any flat portions of the roof of the buildings are to be inspected once every 2 years by a competent roofing contractor or qualified property surveyor and any defect identified by such inspection is repaired as soon as reasonably practicable,
3. any guttering is checked for blockages and defects by a competent contractor at least once annually and any remedial action identified be implemented as soon as reasonably practicable, and
4. a record of all inspections must be kept by you and such record must be available for inspection by us at any time.

Subrogation waiver

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 any:

- a) company standing in relation of parent to subsidiary (or subsidiary to parent) to **you** as defined in the Companies Act current at the time of the **damage**,
- b) company which is a subsidiary of a parent company of which **you** are a subsidiary, in each case within the meaning of the Companies Act current at the time of the **damage**,
- c) tenant or lessee, provided that:
 - the **damage** has not been caused by the criminal, fraudulent or malicious act of the tenant or lessee; and
 - the tenant contributes to the cost of insuring the **buildings** against the event which caused the **damage**,
- d) managing agent acting on **your** behalf in respect of **damage** to the **buildings**, but only if:
 - requested to do so by **you** after a claim under the **policy** has been submitted; and

- the **damage** does not arise out of the managing agent's negligence or willful misconduct.

Value added tax (VAT) condition

We will pay **you** for VAT, paid by **you**, which is not recoverable, provided that:

1. a) **your** liability for the tax arises as a result of the reinstatement or repair of the **building** following damage
b) **we** have paid or have agreed to pay for the damage under this Section One: **Buildings**,
c) if any payment made by **us** is less than the actual cost of the reinstatement or repair of the damage, then any payment under this clause, resulting from that damage, will be reduced by the same proportion,
2. **your** liability for VAT does not arise from the replacement **building** having a greater floor area, or being better or more extensive than the damaged **building**,
3. where the **building** is reinstated on another site **our** liability will not be higher than the amount of VAT that would have been payable had the **building** been rebuilt on its original site,
4. **our** liability does not include amounts **you** have paid as penalties or interest for non-payment or late payment of VAT
5. **you** have taken all reasonable precautions to insure adequately for VAT liability at the start of this **policy** and at each subsequent renewal date.

For the purpose of the Adequacy of sums insured condition, reinstatement costs will be exclusive of VAT. **Our** liability may be more than the **limit of indemnity** for a **building** where the additional amount is solely as a result of VAT.

Workmen's condition

Joiners and other tradesmen are allowed on the **building** to carry out repairs, general maintenance work, redecoration or minor alterations without prejudice to this insurance.

Section two: Contents

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

What is covered	What is not covered
<p>We will pay you if any of your contents are damaged during the period of insurance by any of the following Insured perils.</p> <p>The maximum amount we will pay for any contents covered by this section is the limit of indemnity in respect of any one claim or a series of claims arising out of one occurrence.</p> <p>We will pay you at our option:</p> <ul style="list-style-type: none"> the value of the contents at the time it is damaged; or the amount of the damage; or at our option repair or replace the contents or any part of it. <p>We will not pay the cost of replacing any undamaged or unbroken item or parts of items forming part of a pair, set, suite or collection of the same type, colour or design if the damage happens to one particular area or to a specific part and replacements cannot be matched.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; and/or for loss of any living creature; and/or for loss or damage to motor vehicles, electrically, mechanically, or power-assisted vehicles, caravans, trailers, watercraft, aircraft or any accessories for these items; and/or for loss or damage to property belonging to or the responsibility of the tenant or any guest; and/or for loss of or damage to money, credit cards, cheque and debit cards, securities, deeds, bonds, bills of exchange, promissory notes; and/or stamps, coins or other collections; and/or for loss or damage to business books, plans, specifications, designs and computer records; and/or for loss or damage to any property used or held for business, profession or trade purposes; and/or for loss or damage to any part of the buildings; and/or for loss or damage caused by or arising from disappearance, unexplained or inventory shortage, misfiling or misplacing of information; and/or for loss or damage caused by, arising from or contributed to by the buildings being used for illegal activities by you or any occupants; and/or for loss or damage to pedal cycles; and/or for loss or damage to jewellery, watches, clothing (including furs), precious metals, precious stones or articles made from them; and/or loss or damage to hearing aids, contact lenses, corneal lenses; and/or loss or damage to food and drink; and/or for loss or damage to computers or computer equipment; and/or loss or damage to any curios, works of art, antiques, sculptures, rare books or pictures where the value of any one article is more than £1,000.
<p>Insured perils</p> <p>1. Fire (including subterranean fire), explosion, lightning or earthquake.</p>	
<p>2. Storm or flood</p>	<p>Loss or damage:</p> <ul style="list-style-type: none"> caused by frost; and/or caused solely by change in water table levels; and/or to any property in the open.
<p>3. Escape of water from any tank, apparatus or pipe (including damage to any fixed tank apparatus or pipe, caused by freezing or forcible and violent</p>	<ul style="list-style-type: none"> the cost of the water or oil; and/or <p>Loss or damage:</p>

bursting) or escape of oil from any fixed heating installation or appliance.	<ul style="list-style-type: none"> in respect of any building or portion thereof which is unoccupied; and/or to the installation or appliance itself; or if the installation or appliance is outdoors or in an outbuilding, unless the installation or appliance is connected to a heating boiler protected by a frost-stat device.
4. Riot, civil commotion, strikers, locked-out workers, or persons taking part in labour disturbances or malicious acts or vandalism.	<p>Loss or damage:</p> <ul style="list-style-type: none"> in respect of any building or portion thereof which is unoccupied; and/or caused by confiscation, destruction or requisition by order of the Government or any Public Authority; and/or arising from stoppage of work; and/or caused by any occupant, your employees or guests; and/or caused by theft or attempted theft.
5. Impact with the buildings by aircraft, other aerial devices including articles dropped from them or by any vehicle, train, animal, falling tree or branch, aerial or mast or satellite dish.	
<p>6. Theft or attempted theft (including damage to the building for which you are responsible), involving entry to or exit from the buildings by forcible or violent means; or</p> <p>Theft by violence or threat of violence to you or your family or employees.</p>	<p>Loss or damage:</p> <ul style="list-style-type: none"> in respect of any building or portion thereof which is unoccupied; and/or caused to contents in any garden, yard or open space; and/or caused by any occupant, your employees or guests.
7. Subsidence, ground heave or landslip of any part of the buildings	<p>Loss or damage:</p> <ul style="list-style-type: none"> caused by the normal settlement or bedding down of new structures; and/or caused by the settlement or movement of made up ground; and/or caused by coastal or river erosion; and/or caused by defective design or workmanship or the use of defective materials; and/or happening prior to the start of the period of insurance; and/or caused by fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe; and/or arising from demolition, construction, structural alteration, repair of any building or groundworks or excavation at the buildings.

Section two: **Contents** optional peril extension

Your schedule will show **you** if this optional peril has been purchased by **you**.

What is covered	What is not covered
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<p>Accidental damage to contents contained in the buildings</p> <p>Subject to the terms of Section two: Contents and the other applicable policy terms, we will pay you up to the limit of indemnity shown in the schedule in respect of any one claim or a series of claims arising out of one occurrence for accidental damage to contents occurring during the period of insurance, provided you have purchased this optional peril.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; or to any electrical sign or its installation; and/or any process of cleaning, repairing, dyeing, renovating or maintaining the contents; and/or loss or damage caused by any contents being used in a way which is different to the manufacturer's instructions; and/or arising from faulty or defective workmanship, design or materials; and/or for the loss of information being erased or damaged on computer equipment; and/or any mechanical or electrical machine while it is being used as a tool and if damage arises directly out of its use; and/or specifically excluded in this section and/or Insured perils 1-7.
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Section two: **Contents** extra benefits

Subject to the terms of Section two: **Contents** and the other applicable **policy** terms, the following extra benefits are automatically included under Section two: **Contents**. **Your schedule** will show if **you** are covered under Section two: **Contents**.

What is covered	What is not covered
<p>Accidental breakage</p> <p>We will pay reasonable costs and expenses in respect of any one claim or a series of claims arising from the same occurrence for accidental breakage of:</p> <ul style="list-style-type: none"> glass tops and fixed glass in furniture; and ceramic glass in cooker hobs and mirrors. <p>The maximum amount we will pay for any one claim under Section two: Contents will not exceed the limit of indemnity.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; or loss or damage while the buildings are unoccupied.
<p>Audio/visual equipment</p> <p>We will pay for accidental damage occurring during the period of insurance to:</p> <ul style="list-style-type: none"> televisions, radios, stereos, record players, CD players, DVD players, blu-ray players kept in the buildings; and/or aerials, fittings and satellite dishes attached to the buildings; <p>belonging to you or for which you are responsible.</p> <p>The maximum amount we will pay for any one claim under Section two: Contents will not exceed the limit of indemnity.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> the excess; or for loss or damage caused by chewing, tearing, scratching or fouling by pets; or for loss or damage caused by the action of light or atmosphere; or for loss or damage caused by any process of cleaning, repairing, renovating or maintaining the equipment; or loss or damage caused by faulty workmanship, design or materials; or loss or damage to equipment designed to be portable whilst it is being carried, moved or transported.
<p>Fire extinguishment expenses and emergency services damage</p> <p>We will pay reasonable costs incurred by you in respect of:</p> <ol style="list-style-type: none"> extinguishment expenses you incur in order to minimise damage; 	

<p>2. re-filling, recharging or replacing any fire extinguishers, local or fixed fire suppression or gas flooding systems, sprinkler installations and sprinkler heads;</p> <p>3. damage caused by emergency service vehicles while attending an incident involving damage for which we have made a payment for or accepted liability under this policy.</p> <p>The maximum amount we will pay in respect of any one claim is £10,000.</p>	
<p>Outside contents</p> <p>We will pay you for loss or damage to garden furniture or ornaments outside the structure of the building but within the boundaries of the buildings arising from loss or damage caused by Insured perils 1, 3, 4 or 7 as shown under Section two: Contents.</p> <p>The maximum amount we will pay in respect of any one loss occurring during the period of insurance is £2,500.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> ▪ the excess; or ▪ loss or damage to trees, plants, shrubs or garden produce; or ▪ loss or damage to property in or on any motor vehicle or trailer.
<p>Temporary removal</p> <p>We will pay up to 10% of the limit of indemnity whilst contents are temporarily removed from or in transit to or from the building for cleaning, renovation, repair or other similar purposes, but remaining in the territorial limits excluding property insured elsewhere.</p>	

Section two: **Contents** conditions

In addition to the general conditions set out under the General conditions section of this **policy**, conditions specific to Section two: **Contents** shall apply and are set out immediately below.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to recover a claim or claims under this **policy**.

Adequacy of sums insured condition

You have stated the sum insured shown in **your schedule** for Property insured (as described by this section) at the **building**, and the premium has been calculated accordingly.

If at the time of any loss or damage, the sum insured applying to this section is less than 85% of the total value of the Property insured by this section then **you** will be responsible for a proportionate share of the claim.

Your share of the claim will be calculated according to the remedies shown under the Disclosure and accuracy of information, General condition of the policy.

For the purpose of this condition, sum insured means **your** assessment at the start of the **period of insurance** of the cost of fully replacing all **contents**.

Automatic reinstatement of sum insured condition

In the event of the payment of a claim under Section two: **Contents**, the sum insured by this section will be automatically reinstated from the date of the loss unless **we** or **you** give written notice contrary, provided that in the event of reinstatement **you** will always:

- pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement; and/or
- apply any additional risk improvements which **we** may reasonably require.

This condition will not apply to Section three: **Terrorism** (if **you** have purchased the extension of cover provided under Section three: **Terrorism** of this **policy**).

Contribution condition

If, at the time of the claim, there is any other policy covering the same **landlord's contents**, **we** will only be responsible for **our** proportionate share.

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 that the **limit of indemnity** bears to the value of the **landlord's contents** insured.

Index linking condition

We 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.

If **you** make a claim, index linking will continue during the period when the repair or rebuilding is being carried out, as long as **you** take reasonable action for the repair or rebuilding to be carried out immediately.

Maintaining the sum insured condition

After **we** have settled a claim, **we** will not reduce the **contents limit of indemnity**, as long as **you** take any reasonable measures **we** suggest to prevent any further loss or damage. **We** will not charge any extra premium for maintaining the sum insured.

Reinstatement condition

If any **landlord's contents** are to be repaired or replaced by **us** then **you** will, at **your** own expense, provide all the plans, documents, books and information that may be needed. **We** will not be required to reinstate the **landlord's contents** exactly but only as circumstances permit and in a reasonable manner. **We** will not pay more than the **limit of indemnity** for any one property.

Subrogation waiver

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 any:

- a) company standing in relation of parent to subsidiary (or subsidiary to parent) to **you** as defined in the Companies Act current at the time of the **damage**,
- b) company which is a subsidiary of a parent company of which **you** are a subsidiary, in each case within the meaning of the Companies Act current at the time of the **damage**,
- c) tenant or lessee, provided that:
 - the **damage** has not been caused by the criminal, fraudulent or malicious act of the tenant or lessee; and
 - the tenant contributes to the cost of insuring the **buildings** against the event which caused the **damage**,
- d) managing agent acting on **your** behalf in respect of **damage** to the **buildings**, but only if:
 - requested to do so by **you** after a claim under the **policy** has been submitted; and
 - the **damage** does not arise out of the managing agent's negligence or willful misconduct.

Section three: Terrorism

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

Meanings of defined terms

In addition to the terms defined under the General meanings of defined terms, there are some defined terms that may only appear in this section or are defined differently in this section and the meanings shown here apply to this section only.

Business interruption

Loss of rent as calculated in accordance with the terms of Section one: **Buildings** extra benefit - Loss of rent and costs for alternative accommodation.

Civil commotion

A substantial violent disturbance by a large number of persons assembled together and acting with common purpose or intent.

Malicious act

The actions of anyone intending to cause harm or mischief, whether or not during and/or following **strike**, **riot** or **civil commotion**, including but not limited to vandalism, looting, theft of or the taking of goods by force.

Occurrence

Any one loss or series of losses arising out of and directly caused by any one act of **Terrorism**. The duration and extent of any one occurrence shall be limited to all losses sustained by **you** during any period of 72 consecutive hours. However, no period of 72 consecutive hours may extend beyond the expiration of this **policy** unless **damage** first occurs prior to expiration. No period of 72 consecutive hours can start before the beginning of the **period of insurance**.

Property insured

Tangible property insured under Section one: Buildings and Section two: Contents, as shown in the **schedule**

Riot

A violent disturbance by a group of persons assembled together for a common purpose or intent which threatens the public peace.

Sabotage

A subversive act or series of acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for these purposes.

Strike

A lockout or total or partial work stoppage to enforce demands made on an employer or to protest against an act or condition.

What is covered	What is not covered
<p>We will extend the cover provided under the following sections, where your schedule shows these as covered, to include damage caused by terrorism within the territorial limits during the period of insurance:</p> <ul style="list-style-type: none">Section one: BuildingsSection two: Contents. <p>Limit(s) of indemnity</p> <p>Our liability for all losses from any one event and in total during any one period of insurance will not exceed the limit of indemnity or any specific inner limit shown in the schedule.</p> <p>We will pay:</p> <ol style="list-style-type: none">in respect of damage to property insured, to reinstate or repair or, at our option, replace the property insured up to the value of the property insured at the time of the damage,in respect of business interruption, the amount of the business interruption, as calculated in	<p>Business interruption</p> <p>We will not cover business interruption other than expressly provided under Section three: Terrorism - What is covered and Extensions applicable to Section three: Terrorism - Denial of access, Utilities or Verified threat.</p> <p>Loss of use</p> <p>We will not cover loss of use, delay or loss of markets, loss of income, depreciation, or reduction in functionality.</p> <p>Pollution</p> <p>We will not cover any claim directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with the seepage and/or discharge of pollutants or contaminants including but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety</p>

<p>accordance with the terms of Section one: Buildings,</p> <p>provided that our liability in respect of any one occurrence shall not exceed the limit of indemnity.</p> <p>If any lower amount is specified for a particular item or any other relevant limit of indemnity or sub-limit stated in the schedule applies, our liability will not exceed that lower amount.</p>	<p>or welfare of persons or the environment unless otherwise specifically insured herein,</p> <p>However, this exclusion will not apply to damage to property insured or business interruption directly resulting therefrom directly caused by seepage and/or pollution and/or contamination which itself results from damage caused by an act of terrorism, provided that:</p> <ol style="list-style-type: none"> 1. the damage is derived from pollutants and/or contaminants owned by, or in your care, custody or control, 2. the pollutants and/or contaminants are contents insured by this policy; and, 3. the damage shall be subject to the sub-limit stated in the schedule <p>Requisition</p> <p>We will not cover you for any claim directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with confiscation, requisition, detention, seizure, legal or illegal occupation, embargo, quarantine acts of contraband or illegal transportation or illegal trade or any result of any order of public or government authority which deprives You of the use or value of the property.</p> <p>Strikes, riots and civil commotion</p> <p>We will not cover any claim caused by or arising out of malicious act, strikes, riots, or civil commotion, unless damage is caused directly by an act of terrorism.</p> <p>Threat or hoax</p> <p>We will not cover business interruption as a result of threat or hoax except as insured by Extension applicable to Section three: Terrorism - Verified threat.</p> <p>Utilities</p> <p>We will not cover damage to property insured or business interruption caused by cessation, fluctuation or variation in or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service as insured by Extension applicable to Section three: Terrorism - Utilities.</p> <p>War</p> <p>For the avoidance of doubt and subject always to the other exclusions of the policy, the fact that an act of terrorism is committed by an agent of the sovereign or government entity operating covertly and not in connection with any operation of armed forces or where the act of terrorism is funded by a sovereign or government entity, will not of itself give rise to the application of General exclusion - War, provided that that act of terrorism is not committed in the course of war or in the course of a warlike operation.</p>
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Section three: **Terrorism** extra benefits

The following extra benefits are automatically included with Section three: **Terrorism**. For the avoidance of doubt, the extra benefits applicable to Section one: **Buildings** and Section two: **Contents** do not apply to Section three: **Terrorism**. The extra benefits provided under Section three: **Terrorism** are as expressly stated below.

Denial of access including civil or military order

We will cover **you** for **business interruption**:

1. following **damage** caused by an act of **terrorism** to property within one (1) mile radius of the **premises**, where the **damage** prevents the use of the **premises** or access to it whether the **premises** is damaged or not.
2. following closure, confiscation, requisition or sealing off of the **premises** or any right of way providing public access to the **premises**, by order or action of civil or military authority as a result of an act of **terrorism** which prevents **your** use of the **premises**.

Utilities

We will cover **you** for **business interruption** following **damage** caused by an act of **terrorism** to installations and/or equipment, pipes, lines, wires and the like used for the supply of gas, electricity, water, effluent, telecommunications or internet provision services which results in failure of supply or services at the terminal ends of the service feeders or receivers or meters at the **premises**.

Business interruption arising from transmission distribution or feeder lines, however, will be limited to **damage** to lines located within one (1) mile of the **property insured**.

Unspecified third-party site

We will cover **you** against **damage** caused by an act of **terrorism** to **property insured** while it is at any unspecified third-party site.

Property in transit

We will cover **you** against **damage** caused by an act of **terrorism** occurring during the **period of insurance** to **property insured** which is in transit.

Verified threat

We will cover **you** for **business interruption** resulting directly from an imminent physical threat to people or assets at the **premises** insured under Section one: Property **damage** which is either:

1. communicated to **you** by the Police or an employee of His Majesty's Government; or,
2. communicated by **you** to the Police or an employee of His Majesty's Government

on the basis of which **you** evacuate **your premises**, we will pay **you** up to the applicable sub-limit for the actual **business interruption** loss sustained by **you** during the **period of insurance**.

Residential emergency costs and expense

We will pay for costs and expenses as a result of **damage** caused by an act of **terrorism** as insured under this **policy** for the reasonable additional cost of comparable alternative accommodation for:

- 1) any tenant including temporary storage costs for their furniture,
- 2) domestic pets which normally live in the buildings,
- 3) the reasonable additional emergency costs and expenses during the period necessary to restore insured **buildings** which have been made uninhabitable or inaccessible by **damage** to a habitable condition.

We will not pay:

- 1) any amount in excess of the **limit of indemnity** for **buildings**,
- 2) costs which may cease or be reduced as a result of the **damage** caused by an **act of terrorism**,
- 3) cost, loss or expense as a result of a verified threat.

Public relations expenses

We will pay reasonable costs incurred by **you** if, as a result of **damage** caused by an act of **terrorism** to the **buildings** which are part of the **property insured**, **you** need to employ suitable public relations personnel to deal with press and public announcements or other necessary activities.

Conditions applicable to Section three: Terrorism

In addition to the general conditions set out under the General conditions section of this **policy**, conditions specific to Section three: **Terrorism** also apply and are set out immediately below.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to recover a claim or claims under this **policy**.

Arbitration

Any dispute which may arise under, out of or in connection with or relating to Section three: **Terrorism**, including its interpretation, formation and validity or the determination of the amount of loss hereunder will be referred to and finally resolved by arbitration under the London Court of International Arbitration (LICA) Rules in accordance with its rules at the date of the submission. The number of arbitrators will be three. The seat of the Arbitration will be London, and the language used in the arbitral proceedings will be English.

The proper law governing arbitration is the law of England and Wales.

The parties are jointly and severally liable to the arbitral tribunal and the LCIA for the arbitration costs (other than the legal or other costs incurred by the parties themselves).

Assignment

You may not assign the **policy** or any rights or remedies under it without **our** prior written consent.

Data Protection Act

Your details and the details of **your** insurance cover and claims will be held by **us** for underwriting, processing, claims handling and fraud prevention subject to the provisions of the Data Protection Act 2018.

For further details please refer to our Privacy Policy which you can find on our website at:
<https://www.lancashiregroup.com/en/site-services/privacy-policy.html>

Proof of loss

In any claim and/or action, suit or proceeding to enforce a claim for loss under this **policy**, the burden of proving that the loss is covered by this **policy** and that no limitation or exclusion of this **policy** applies and the quantum of loss falls upon **you**.

Section four: Property owners' liability

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

Meanings of defined terms

In addition to the terms defined under the General meanings of defined terms, there are some defined terms that may only appear in this section or are defined differently in this section and the meanings shown here apply to this section only.

Additional persons insured

- a) the personal representative of any deceased person entitled to the cover provided by this section but only in respect of liability incurred by the deceased person
- b) any principal for whom **you** are completing a contract for the performance of work, to the extent required by the contract conditions
- c) any of **your** directors or **employees**
- d) any officer or member whilst undertaking their duties in connection with **your**:
 - i. canteen, sports, social, educational or welfare organisations
 - ii. fire, security, first aid, medical or ambulance services
- e) any director or officer of **yours** for whom private work is undertaken by any **employee**, with **your** prior consent.

Claim costs

Costs and expenses in connection with a claim for which an award for damages is paid or may be payable under this section and incurred with **our** prior written consent, to investigate or defend a claim against **you** or any of the **additional persons insured** and this will include solicitors' fees at:

- a) any coroner's inquest or fatal accident inquiry
- b) summary court proceedings.

Contractual liability

Legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** legal liability beyond that applicable in the absence of those terms.

Electronic data

Facts, concepts or information in a form usable for communications, interpretation or processing by electronic, electromechanical data processing or electronically controlled equipment and this includes programmes, software, firmware, operating systems or other coded instructions for the processing or manipulation of data.

Manslaughter costs

Costs and expenses of legal representation in connection with any criminal inquiry into, or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Safety legislation costs

Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Consumer Protection or Food Safety legislation, enacted within the **territorial limits**.

What is covered	What is not covered
<p>We will cover you against all sums that you become legally liable to pay as owner of the building in respect of accidental:</p> <ul style="list-style-type: none">▪ bodily injury to any person; and▪ loss of or damage to tangible property; and▪ obstruction, trespass, nuisance or interference with any right of way, air, light or water; and▪ wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy; <p>occurring within the territorial limits during the period of insurance.</p> <p>If we have agreed to insure you as occupier of the building, this policy extends to cover you against all sums that you become legally liable to pay as occupier of the building in respect of:</p> <ul style="list-style-type: none">▪ bodily injury to any person; and▪ loss of or damage to tangible property; and	<p>We will not cover you for any liability:</p> <ul style="list-style-type: none">▪ the excess; and/or▪ other than as owner or occupier of the building; and/or▪ arising from contractual liability; and/or▪ arising from any criminal act(s); and/or▪ arising from an assault, alleged assault or a deliberate, wilful or malicious act; and/or▪ arising from the ownership or occupation of any land or buildings other than the buildings; and/or▪ where you are covered by any other insurance policy; and/or▪ arising from bodily injury sustained by any employee arising out of and in the course of their employment with you; and/or

<ul style="list-style-type: none"> ▪ obstruction, trespass, nuisance or interference with any right of way, air, light or water; and ▪ wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy; <p>occurring within the territorial limits during the period of insurance in connection with the business.</p> <p>We will pay up to the limit of indemnity inclusive of costs and expenses incurred with our written consent for any one claim or series of claims as a result of or attributable to a single source or the same original, repeated or continuing cause first occurring during the period of insurance.</p>	<ul style="list-style-type: none"> ▪ arising from any profession, trade or business other than as owner of the building; and/or ▪ arising out of any negligent act, advice, error, omission or fault in the service or duties undertaken or provided by your managing agent in respect of the buildings; and/or ▪ arising from the ownership or use of any: <ul style="list-style-type: none"> - power-operated lift; and/or - mechanically-propelled vehicles (including children's motor vehicles); and/or - horse-drawn vehicles; and/or - aircraft, hovercraft or watercraft; and/or - caravan or trailer; and/or - animals; and/or ▪ arising out of the ownership, possession or use by you or on your behalf or use by any of the additional persons insured of any motor vehicle, trailer or mobile plant in circumstances where compulsory insurance or security is required by Road Traffic Legislation. ▪ involving bodily injury to any member of your household who normally lives with you.
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Section four: Property owners' liability extra benefits

Subject to the terms of Section four: Property owners' liability and the other applicable **policy** terms, the following extra benefit is automatically included under Section four: Property owners' liability. **Your schedule** will show if **you** are covered under Section four: Property owners' liability.

What is covered	What is not covered
<p>Compensation for court attendance</p> <p>In the event of you, any partner, director or employee attending court as a witness at our request, in connection with a claim for which an award of damages is paid or may be payable under this section, we will pay compensation at the rate of £250 per person, per day, for each day that attendance is required at court.</p>	
<p>Contingent motor liabilities</p> <p>We will pay the amount of damages which you are legally liable to pay and claim costs as a result of accidental bodily injury, loss of or damage to property not owned or held in trust by you or in your custody or control occurring during the period of insurance and arising out of:</p> <ul style="list-style-type: none"> ▪ the use by an employee of their own motor vehicle within the European Union; or ▪ the movement of any motor vehicle not owned by, or provided by you, or an employee that is preventing access to, or causing an obstruction within your premises or any site at which you are working. 	<p>We will not cover:</p> <ul style="list-style-type: none"> ▪ loss of or damage to any motor vehicle; and/or ▪ any legal liability unless the motor vehicle is being driven with your permission and you have taken reasonable steps to ensure that the person driving holds a valid license to drive the motor vehicle; and/or ▪ where cover is provided by another insurance policy.
<p>Cross liabilities</p> <p>If more than one insured is referred to in the schedule, this section shall apply to each one as if a separate policy had been issued to each provided that the total amount of indemnity payable to all</p>	

<p>parties in respect of damage will not exceed the limit of indemnity in any circumstances.</p>	
<p>Data Protection Act 2018</p> <p>We will indemnify you and if you so require any employee in respect of liability to pay compensation including defence costs directly arising from a claim made against you for breach of the General Data Protection Regulation (GDPR), the Data Protection Act 2018 or any amending legislation, caused in connection with the business during the period of insurance.</p> <p>The maximum amount we will pay for all claims in total during the period of insurance is £250,000.</p>	<p>We will not cover any claim under this extension arising from or relating to:</p> <ul style="list-style-type: none"> ▪ compensation, costs or expenses covered under Section six: Legal expenses; and/or ▪ the costs of rectifying, rewriting, replacing, reinstating or erasing personal data as defined in the GDPR; and/or ▪ the payment of fines or penalties; and/or ▪ refund of monies paid to you by any claimant; and/or ▪ liability arising solely because you did not comply with your legal obligations set out under the GDPR; and/or ▪ any actual or alleged act, omission or dispute happening before, or existing at the start of the period of insurance and which you knew or ought reasonably to have known could lead to a claim; and/or ▪ any deliberate act by you or any director, partner or employee; and/or ▪ indirect or consequential losses.
<p>Defective Premises Act</p> <p>We will pay all sums which you become legally liable to pay as a result of accidental bodily injury, loss of or damage to property arising out of premises you have disposed of but had previously owned.</p> <p>We will pay up to the limit of indemnity inclusive of costs and expenses incurred with our written consent for any one claim or series of claims as a result of or attributable to a single source or the same original, repeated or continuing cause first occurring during the period of insurance.</p>	<p>We will not cover you for any liability:</p> <ul style="list-style-type: none"> ▪ in respect of loss or damage to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect in them; and/or ▪ where you are covered by any other insurance policy; and/or ▪ where the previously owned premises are covered by any other insurance policy.
<p>Manslaughter costs</p> <p>We will pay for manslaughter costs as a result of any death occurring during the period of insurance, in circumstances where there is also a claim or potential claim against you or any of the additional persons insured for damages covered by this section.</p> <p>You must obtain our prior consent to legal representation and we will only agree to payment on a fee basis agreed by us.</p> <p>If a claim for damages is settled or withdrawn, we will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment.</p> <p>If at any time a claim for damages remains unsettled and you wish to appeal against conviction, we will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), an appeal is likely to succeed and the total amount of damages and claimants' costs are likely to exceed the total cost of legal representation.</p> <p>If we have consented to legal representation at court proceedings, we will also pay the legal costs of prosecution awarded against you in connection with the proceedings.</p>	<p>We will not cover:</p> <ul style="list-style-type: none"> ▪ fines, penalties or awards of compensation imposed by a criminal court; and/or ▪ costs and expenses of implementing any remedial order or publicity order; and/or ▪ costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order; and/or ▪ costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order; and/or ▪ costs and expenses insured by any other policy; and/or ▪ compensation, costs or expenses covered under Section six: Legal expenses; and/or ▪ costs and expenses of any investigation or prosecution brought other than under the laws of the territorial limits.

<p>The maximum amount we will pay for manslaughter costs, during any one period of insurance, is £1,000,000.</p>	
<p>Personal liability</p> <p>At your request, we will pay the amount of damages which any of your directors, partners or employees or their spouse or children are legally liable to pay and claim costs, as a result of accidental bodily injury, loss of or damage to property not owned by or held in trust by you or them, or in your or their custody or control occurring during the period of insurance and incurred in a personal capacity during temporary visits anywhere in the world in connection with the business</p>	<p>We will not cover:</p> <ul style="list-style-type: none"> ▪ arising out of the ownership or occupation of land or buildings; and/or ▪ where cover is provided under any other insurance; and/or ▪ in circumstances where a policy or section exclusion applies.
<p>Safety legislation defence</p> <p>We will pay for safety legislation costs, as a result of any bodily injury, loss of or damage to buildings occurring during the period of insurance, in circumstances where there is also a claim or potential claim against you or any of the additional persons insured, for damages covered by this section.</p> <p>You must obtain our prior consent to legal representation and we will only agree to payment on a fee basis agreed by us.</p> <p>If a claim for damages is settled or withdrawn we will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment.</p> <p>If at any time a claim for damages remains unsettled and you wish to appeal against conviction, we will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), an appeal is likely to succeed and the total amount of damage and claimants' costs are likely to exceed the total cost of legal representation.</p> <p>If we have consented to legal representation at court proceedings, we will also pay the legal costs of prosecution awarded against you in connection with the proceedings.</p> <p>The maximum amount we will pay for safety legislation costs, during any one period of insurance, is £1,000,000.</p>	<p>We will not cover:</p> <ul style="list-style-type: none"> ▪ fines, penalties or awards of compensation imposed by a criminal court; and/or ▪ costs and expenses of an appeal against improvement or prohibition notices; and/or ▪ costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than safety legislation costs already incurred; and/or ▪ costs and expenses insured by any other policy; and/or ▪ compensation, costs or expenses covered under Section six: Legal expenses; and/or ▪ costs and expenses of any investigation or prosecution brought other than under the laws of the territorial limits.

Section five: Employers' liability

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

Meanings of defined terms

In addition to the terms defined under the General meanings of defined terms, there are some defined terms that may only appear in this section or are defined differently in this section and the meanings shown here apply to this section only.

Additional persons insured

- a) the personal representative of any deceased person entitled to the cover provided by this section but only in respect of liability incurred by the deceased person
- b) any principal for whom **you** are completing a contract for the performance of work, to the extent required by the contract conditions
- c) any director or **employee**
- d) any officer or member whilst undertaking their duties in connection with **your**:
 - i. canteen, sports, social, educational or welfare organisations
 - ii. fire, security, first aid, medical or ambulance services
- f) any director or officer of **yours** for whom private work is undertaken by any **employee**, with **your** prior consent.

Claim costs

Costs and expenses in connection with a claim for which an award for damages is paid or may be payable under this section and incurred with **our** prior written consent, to investigate or defend a claim against **you** or any of the **additional persons insured** and this will include solicitors' fees at:

- a) any coroner's inquest or fatal accident inquiry
- b) summary court proceedings.

Contractual liability

Legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** legal liability beyond that applicable in the absence of those terms.

Manslaughter costs

Costs and expenses of legal representation in connection with any criminal inquiry into, or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Safety legislation costs

Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety legislation, enacted within the **territorial limits**.

What is covered	What is not covered
<p>We will cover you against all sums that you or any of the additional persons insured become legally liable to pay in respect of bodily injury to any employee occurring within the territorial limits during the period of insurance in connection with the business.</p> <p>We will pay:</p> <ul style="list-style-type: none">a) up to limit of indemnity A or B as shown in the schedule for any one claim or any series of claims by one or more employee arising from one occurrence during the period of insurance; andb) claim costs within the same limit of indemnity; <p>except as otherwise stated in Section five: Employers' liability extensions to cover.</p> <p>Limit of indemnity A will apply to any one occurrence (except in respect of any occurrence caused by or originating from terrorism).</p> <p>Limit of indemnity B will apply to any occurrence caused by or originating from terrorism.</p>	<p>We will not cover any legal liability for bodily injury to any employee:</p> <ul style="list-style-type: none">▪ in circumstances where it is necessary to arrange compulsory motor insurance or security under any Road Traffic legislation.

Section five: Employers' liability extra benefits

Subject to the terms of Section five: Employers' liability and the other applicable **policy** terms, the following extensions are automatically included under Section five: Employers' liability. **Your schedule** will show **you** if the cover under Section five: Employers' liability applies.

What is covered	What is not covered
<p>Compensation for court attendance</p> <p>In the event of you, any partner, director or employee attending court as a witness at our request, in connection with a claim for which an award of damages is paid or may be payable under this section, we will pay compensation at the rate of £250 per person, per day, for each day that attendance is required at court.</p>	
<p>Manslaughter costs</p> <p>We will pay for manslaughter costs as a result of any death occurring during the period of insurance, in circumstances where there is also a claim or potential claim against you or any of the additional persons insured for damages covered by this section.</p> <p>You must obtain our prior consent to legal representation and we will only agree to payment on a fee basis agreed by us.</p> <p>If a claim for damages is settled or withdrawn, we will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment.</p> <p>If at any time a claim for damages remains unsettled and you wish to appeal against conviction, we will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), an appeal is likely to succeed and the total amount of damages and claimants' costs are likely to exceed the total cost of legal representation.</p> <p>If we have consented to legal representation at court proceedings, we will also pay the legal costs of prosecution awarded against you in connection with the proceedings.</p> <p>The maximum amount we will pay for manslaughter costs, during any one period of insurance, is £1,000,000.</p>	<ul style="list-style-type: none"> ▪ fines, penalties or awards of compensation imposed by a criminal court; ▪ costs and expenses of implementing any remedial order or publicity order; ▪ costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order; ▪ costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order; ▪ costs and expenses insured by any other policy; ▪ costs and expenses of any investigation or prosecution brought other than under the laws of the territorial limits.
<p>Safety legislation defence</p> <p>We will pay for safety legislation costs, as a result of any bodily injury occurring during the period of insurance, in circumstances where there is also a claim or potential claim against you or any of the additional persons insured, for damages covered by this section.</p> <p>You must obtain our prior consent to legal representation and we will only agree to payment on a fee basis agreed by us.</p> <p>If a claim for damages is settled or withdrawn we will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment.</p>	<ul style="list-style-type: none"> ▪ fines, penalties or awards of compensation imposed by a criminal court; ▪ costs and expenses of an appeal against improvement or prohibition notices; ▪ costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than safety legislation costs already incurred; ▪ costs and expenses insured by any other policy; ▪ costs and expenses of any investigation or prosecution brought other than under the laws of the territorial limits.

<p>If at any time a claim for damages remains unsettled and you wish to appeal against conviction, we will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), an appeal is likely to succeed and the total amount of damage and claimants' costs are likely to exceed the total cost of legal representation.</p> <p>If we have consented to legal representation at court proceedings, we will also pay the legal costs of prosecution awarded against you in connection with the proceedings.</p> <p>The maximum amount we will pay for safety legislation costs, during any one period of insurance, is £1,000,000.</p>	
<p>Unsatisfied court judgements</p> <p>We will, at your request, pay to any employee or their legal personal representatives, the amount of any judgement for damages and any costs awarded that remain unsatisfied, resulting from bodily injury to the employee caused during the period of insurance and arising out of and in the course of employment by you in connection with the business, provided that:</p> <ol style="list-style-type: none"> 1. the judgement for damages is: <ol style="list-style-type: none"> a) obtained in a court of law within the territorial limits; b) obtained against a party registered or resident within the territorial limits; c) not obtained against you; and 2. there is no appeal outstanding. <p>If any payment is made under the terms of this cover, the employee or their legal personal representatives must assign the judgement to us.</p>	

Conditions applicable to Section five: Employers' liability

In addition to the general conditions set out under the General conditions section of this **policy**, conditions specific to Section five: Employers' liability also apply and are set out immediately below.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to recover a claim or claims under this **policy**.

Other insurance condition

If, at the time of the claim, there is any other insurance policy covering the same legal liability, **we** will only be responsible for **our** proportionate share.

Right of recovery condition

This insurance 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 **you** must repay to **us** all sums paid by **us** that **we** would not have been liable to pay but for the provision of such law.

Employers' Liability Tracing Office Notice

Information relating to **your** insurance **policy** including, the **policy** number(s), employers' names and addresses (including disclosed subsidiaries and any relevant changes of name), coverage dates, employers' reference numbers provided by His Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office (ELTO) and added to an electronic database.

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure By Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.
The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance **policy**, **you** will be deemed to specifically consent to the use of **your** insurance **policy** data in this way and for these purposes.

Section six: Legal expenses

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

To make sure **you** get the most from **your ARAG** cover, please take time to read this section which explains the insurance cover and additional services available to **you**. If **you** have any questions or would like more information, please contact **your** insurance adviser or the organisation which sold **you** this cover.

Meanings of defined terms

In addition to the terms defined under the General meanings of defined terms, there are some defined terms that may only appear in this section or are defined differently in this section and the meanings shown here apply to this section only.

Appointed representative

The **preferred law firm**, law firm, tax consultancy, accountant or other suitably qualified person **we** will appoint to act on the **insured person's** behalf.

ARAG Standard Terms of Appointment

The terms and conditions (including the amount **we** will pay to an **appointed representative**) that apply to the relevant type of claim, which could include a conditional fee agreement (no win, no fee). Where a law firm is acting on **your** behalf, the amount is currently £100 per hour. This amount may vary from time to time.

Costs and expenses

- (a) All reasonable, proportionate and necessary costs chargeable by the **appointed representative** and agreed by **us** in accordance with the **ARAG Standard Terms of Appointment**.
- (b) The costs incurred by opponents in civil cases if the **insured person** has been ordered to pay them, or the **insured person** pays them with our agreement.

Date of occurrence

- (a) For civil cases (other than as specified under c) to e) below), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the **date of occurrence** is the date of the first of these events. (This is the date the event happened, which may be before the date **you** or an **insured person** first became aware of it.)
- (b) For criminal cases, the date the **insured person** began, or is alleged to have begun, to break the law.
- (c) For B) Optional extended cover - Insured incident Statutory licence appeal, the date when **you** first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel **your** licence, mandatory registration or British Standard Certificate of Registration.
- (d) For B) Optional extended cover - Insured incident Tax protection, the date when HM Revenue & Customs, or the relevant authority, first notifies **you** of its intention to carry out an enquiry. For VAT or **employer compliance disputes**, the date the dispute arises during the **period of insurance** following the issue of an assessment, written decision or notice of a civil penalty.
- (e) For B) Optional extended cover - Insured incident Legal defence – (e) Statutory notice appeals, the date when the insured person is issued with the relevant notice and has the right to appeal.

Employer compliance dispute

A dispute with HM Revenue & Customs concerning your compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

Insured person

- a) **You** and the directors, partners, managers, **employees** and any other individuals declared to **us** by **you**,
- b) A person contracted to work for **you** who works for you on the same basis as **your employees** and performs that work under **your** supervision and direction.

Preferred law firm

A law firm, barrister or tax expert **we** choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the **insured person's** claim and must comply with **our** agreed service standard levels, which **we** audit regularly. They are appointed according to the **ARAG Standard Terms of Appointment**.

Premises

The property or properties which are owned by **you** or are **your** responsibility and insured as declared to **us** and let under a tenancy agreement which is in writing, properly executed and containing an enforceable forfeiture clause.

Reasonable prospects

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

Tax enquiry

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

- (i) includes a request to examine any aspect of **your** books and records; or
- (ii) advises of a check of **your** whole tax return.

Territorial limits

- (a) For A) Standard cover - Insured incidents Property legal defence, Property damage and Eviction of squatters:
The United Kingdom of Great Britain and Northern Ireland
- (b) For B) Optional extended cover - Insured incidents Legal defence and Personal injury:
The United Kingdom of Great Britain and Northern Ireland, the European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Gibraltar, Iceland, Liechtenstein, Monaco, Montenegro, North Macedonia, Norway, San Marino, Serbia, Switzerland and Turkey.
- (c) For all other insured incidents under A) Standard cover and B) Optional extended cover:
The United Kingdom of Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

VAT dispute

A dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty relating to **your** VAT affairs.

What is covered

We agree to provide the insurance described in this section for **you** (or where specified, the **insured person**) in respect of any insured incident arising in connection with the **business** shown in the **schedule**, in return for payment of the premium and subject to the terms, conditions, exclusions and limitations set out in this **policy**, provided that:

- 1) **reasonable prospects** exist for the duration of the claim
- 2) the **date of occurrence** of the insured incident is:
 - i during the **period of insurance**, or
 - ii during the currency of a previous equivalent legal expenses insurance policy, provided that:
 - the previous legal expenses insurance policy required **you** to report claims during its currency,
 - **you** could not have notified a claim previously as **you** could not have reasonably been aware of the insured incident,
 - cover has been continuously maintained in force,
 - **we** will not cover any claim that should have been covered under a previously operative legal expenses insurance policy, and
 - the available limit of indemnity shall be limited to the lesser of the sums payable under this or **your** previous policy.
- 3) any legal proceedings will be dealt with in the **territorial limits** by:
 - i a court, or
 - ii an employment tribunal or employment appeal tribunal, or
 - iii arbitration where parties to a dispute appoint an arbitrator to determine the evidence and issue a decision which is recognised by and enforceable through a court; or
 - iv the Equality and Human Rights Commission, Equality Commission for Northern Ireland; or
 - v any other body which replaces any of the above or which **we** agree to, and
- 4) the insured incident happens within the **territorial limits**.

What we will pay

We will pay **an appointed representative**, on **your** behalf, **costs and expenses** incurred following an insured incident, and any compensation awards that **we** have agreed to, provided that:

- 1) the most **we** will pay for all claims resulting from one or more event arising at the same time or from the same originating cause for **costs and expenses** and compensation awards claims is £100,000,
- 2) the most **we** will pay for the total of all compensation awards under B) Optional extended cover - Insured incident Employment disputes and compensation awards - (b) Employment compensation awards in any one **period of insurance** shall not exceed £1,000,000,
- 3) the most **we** will pay in **costs and expenses** is no more than the amount **we** would have paid to a **preferred law firm** or tax consultancy. The amount **we** will pay a law firm (where acting on **your** behalf) is currently £100 per hour. This amount may vary from time to time,
- 4) in respect of an appeal or the defence of an appeal, **you** must tell **us** as soon as possible within the statutory time limits allowed that **you** want to appeal. Before **we** pay the **costs and expenses** for appeals, **we** must agree that **reasonable prospects** exist,
- 5) for an enforcement of judgment to recover money and interest due to **you** after a successful claim under this section of the **policy**, **we** must agree that **reasonable prospects** exist,
- 6) where an award for damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most **we** will pay in **costs and expenses** is the value of the likely award, and
- 7) in respect of Optional extended cover - Insured incident - Legal defence (f) Jury service and court attendance, the maximum **we** will pay is the **insured person's** net salary or wages for the time that the **insured person** attending court or tribunal, less any amount **you**, the court or tribunal pays.

What **we** will not pay

- 1) In the event of a claim, if **you** decide not to use the services of a **preferred law firm** or tax consultancy, **you** will be responsible for any costs that fall outside the **ARAG Standard Terms of Appointment** and these will not be paid by **us**.
- 2) The first £500 of any contract dispute claim where the amount in dispute exceeds £5,000 (including VAT). If **you** are using a **preferred law firm**, **you** will be asked to pay this within 21 days of **your** claim having been assessed as having **reasonable prospects**. If **you** are using **your** own law firm, this will be within 21 days of their appointment (following confirmation **your** claim has **reasonable prospects**). If **you** do not pay this amount the cover for **your** claim could be withdrawn.
- 3) If **you** are registered for VAT, **we** will not pay the VAT element of any **costs and expenses**.
- 4) Any claim unless equivalent legal expenses insurance was continuously in force immediately prior to inception of this **policy**, any claim where the originating cause of action arises within 90 days of the start of this cover,
- 5) A dispute arising from or relating to:
 - (a) the negotiation, review or renewal of the lease or tenancy agreement,
 - (b) any matter relating to service charges,
 - (c) rent, tax or building regulations or decisions or compulsory purchase orders or restrictions or controls placed on your material property by any government or public or local authority,
 - (d) any claim relating to registering rents, reviewing rents, buying the freehold of **the premises** or any matter that relates to rent tribunals, the leasehold valuation tribunal, land tribunals or rent assessment committees,
 - (e) any planning application, review or decision,
 - (f) mining subsidence.
- 6) Any claim relating to:
 - (a) land or premises used for agricultural purposes,
 - (b) any arbitration or Agricultural Land Tribunal hearing relating to any dispute arising out of a contract of tenancy or lease regulated by the 1986 Agricultural Holdings Act or 1995 Agricultural Tenancies Act or at hearings of the Scottish Land Court relating to disputes arising out of a contract of tenancy or lease regulated by the 1991 Agricultural Holdings (Scotland) Act or 2003 Agricultural Holdings (Scotland) Act under the terms of the tenancy or lease or as directed by statute.

A) Standard cover – Insured incidents

Property legal defence

We will pay **costs and expenses** to:

- a) defend **your** legal rights if an event arising from letting the **premises** leads to **you** being prosecuted in a criminal court;
- b) defend an appeal against **your** decision not to adapt the **premises** following a request under any disability discrimination legislation.

Tenancy Disputes

In a dispute with a tenant arising from a breach or alleged breach of the tenancy agreement which relates to the use or maintenance of **the premises**, excluding repossession, recovery of money and dilapidations (please refer to A) Standard cover - Insured incidents - Repossession, Rent Recovery, Property Damage).

Repossession

To obtain possession of **the premises**, provided that, where appropriate, all statutory and contractual notices have been correctly served by **you** on the tenant.

Rent Recovery

To recover money and interest due from a lease, licence or tenancy of **the premises**, including enforcement of judgment.

Provided that:

1. the amount in dispute exceeds £250 (including VAT) and a claim is made within 90 days of the money becoming due and payable or, if it is rent that is owed, it must have been overdue for at least one calendar month,
2. if **you** accept payment (or part payment) of any rent arrears from the tenant, **you** must provide proof **you** have warned the tenant this does not prevent **you** taking further action against them to recover monies owed,
3. where the tenant is a limited company, **you** must have sought and followed advice from the **Appointed Representative** before accepting payment of rent arrears,
4. the other party does not intimate that a defence exists (please refer to A) Standard cover - Insured incident **Tenancy Disputes**).

Property Damage

In a dispute relating to dilapidations to **the premises**, provided that

1. the amount in dispute exceeds £1,000,
2. prior to the tenancy beginning, a detailed inventory, which notes the condition of all items on the inventory is prepared by **you**,
3. after the tenant has vacated **the premises**, a detailed schedule of dilapidations is prepared by **you**.

Nuisance

In defending any allegation of nuisance arising from **the premises** used solely for residential purposes.

Eviction of Squatters

To evict anyone who is not **your** tenant or ex-tenant from **the premises** and who has not got **your** permission to be there.

Please note, for England, Wales and Scotland, squatting in a residential property is a criminal offence and therefore, please contact the police in the first instance.

B) Optional extended cover – Insured incidents

Your schedule will show if **you** have purchased B) Optional extended cover.

Employment disputes and compensation awards

(a) Employment disputes

What is covered

We will pay **costs and expenses** to defend **your** legal rights:

- (1) before the issue of legal proceedings in a court or tribunal:
 - (i) following the dismissal of an **employee**; or
 - (ii) where an **employee** or ex-**employee** has contacted ACAS ('Advisory, Conciliation and Arbitration Service') to commence the Early Conciliation procedure; or
- (2) in unfair dismissal disputes under the ACAS Arbitration Scheme; or
- (3) in legal proceedings in respect of any dispute relating to:
 - (i) a contract of employment with **you**; or
 - (ii) an alleged breach of the statutory rights of an **employee**, ex-**employee** or prospective **employee** under employment legislation.

What is not covered

We will not pay any claim relating to the following:

- 1) unless equivalent legal expenses insurance was continuously in force before:
 - i. any dispute where the originating cause of action arises within the first 90 days of the commencement of this section of the **policy**;
 - ii. any dispute with an **employee** who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of this section of the **policy** if the **date of occurrence** was within the first 180 days of the commencement of this section of the **policy** and the dispute relates directly to the same matter(s) which gave rise to that warning;
 - iii. any notice of redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the start of the **policy**.
- 2) damages for personal injury,
- 3) employment compensation awards
- 4) **employee** internal disciplinary or grievance procedures,
- 5) Transfer of Undertakings Regulations (TUPE) or the Transfer of Employment (Pension Protection) Regulations
- 6) pursuing **your** legal rights.

(b) Employment compensation awards

What is covered

In respect of a claim **we** have accepted under B) Optional extended cover - Insured incident Employment disputes and compensation awards – (a) Employment disputes, **we** will pay:

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

provided that:

1. in cases relating to performance and/or conduct, **you** have throughout the employment dispute either:
 - i. followed the ACAS Code of Disciplinary and Grievance; or
 - ii. followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or

- iii. sought and followed advice from **our** legal advice service (telephone 0344 893 5726).
- 2. for an order of compensation following **your** breach of statutory duty under employment legislation **you** have at all times sought and followed advice from **our** legal advice service since the date when **you** should have known about the employment dispute (telephone 0344 893 5726).
- 3. for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, **you** have sought and followed advice from **our** legal advice service before starting any redundancy process or procedure with employees (telephone 0344 893 5726).
- 4. Any sum of money in settlement of a dispute is awarded by a court, tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default or is payable under settlement approved in writing in advance by **us**.

Please note that the total amount payable by us for all compensation awards and any sums of money in settlement of a dispute shall not exceed £1,000,000 in aggregate and in any one **period of insurance**.

What is not covered

A claim relating to the following:

- 1. Any compensation award relating to the following:
 - a) trade union activities, trade union membership or non-membership,
 - b) pregnancy, maternity rights, paternity, parental or adoption rights,
 - c) health and safety related dismissals brought under section 44 of the Employment Rights Act 1996,
 - d) statutory rights in relation to trustees of occupational pension schemes.
- 2. Non-payment of money due under a contract.
- 3. Any award ordered because **you** have failed to provide relevant records to **employees** under the National Minimum Wage legislation.
- 4. Any compensation award or increase in compensation award relating to failure to comply with a current or previous recommendation made by a tribunal.
- 5. A settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure.

(c) Employee civil legal defence

What is covered

We will pay **costs and expenses** to defend the **insured person's** (other than **your**) legal rights if :

- 1. an event arising from their work leads to civil action being taken against them under legislation for unlawful discrimination; or
- 2. civil action is being taken against them as trustee of a pension fund set up for the benefit of **your** employees.

Please note that **we** will only provide cover for an **insured person** (other than **you**) at **your** request.

(d) Service occupancy

What is covered

We will pay **costs and expenses** to recover possession of premises owned by **you**, or for which you are responsible, from your employees or ex-employees.

What is not covered

A claim relating to defending **your** or an **insured persons** legal rights other than defending a counter-claim that is an insured incident under this section of the **policy**.

Legal defence

(a) Criminal pre-proceedings cover

What is covered

We will pay **costs and expenses** to defend the **insured person's** legal rights prior to the issue of legal proceedings, when dealing with the Police, or other body with criminal investigatory powers, where it is alleged that the **insured person** has or may have committed a criminal offence.

Provided that for claims relating to the Health and Safety at Work etc Act 1974, the **territorial limits** shall be any place where the Act applies.

Please note **we** will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the **business** shown in the **schedule**. Please see What is covered, page 51.

What is not covered

A claim relating to the following:

1. any criminal investigation or enquiry by, with or on behalf of HM Revenue & Customs;
2. investigations due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

(b) Criminal prosecution defence

What is covered

We will pay **costs and expenses** to defend the **insured person's** legal rights following an event which leads to the **insured person** being prosecuted in a court of criminal jurisdiction.

Provided that for claims relating to the Health and Safety at Work etc Act 1974 the **territorial limits** shall be any place where the Act applies.

Please note **we** will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the **business** shown in the **schedule**. Please see What is covered, page 51.

What is not covered

A claim relating to prosecution due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

(c) Data Protection

What is covered

We will pay **costs and expenses** if civil action is taken against the **insured person** for compensation under data protection legislation, when handling personal data in their capacity as a data controller and/or a data processor by:

1. An individual. **We** will also pay any compensation award in respect of such a claim.
2. Another data controller and/or data processor, which arises out of, or relates to, a claim made by an individual for compensation against that data controller and/or data processor. Please note **we** will not pay any compensation award in respect of such a claim.

Provided that in respect of 1. above any sum of money in settlement of a dispute is awarded by a court under a judgment made after full argument and otherwise than by consent or default or is payable under settlement approved in advance by **us**.

Please note **we** will not cover the cost of fines imposed by the Information Commissioner, or any other regulatory and/or criminal body. Please see Section exclusion 8.

What is not covered

A claim relating to the following:

1. the loss, alteration, corruption or distortion of, or damage to stored personal data, or
2. a reduction in the functionality, availability, or operation of stored personal data;

resulting from hacking (unauthorised access), malicious or negligent transfer (electronic or otherwise) of a computer program that contains any malicious or damaging code, computer virus or similar mechanism.

(d) Wrongful arrest

What is covered

We will pay **costs and expenses** to defend the **insured person's** legal rights if civil action is taken against the **insured person** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the period of insurance.

(e) Statutory notice appeals

What is covered

We will pay **costs and expenses** to defend the **insured person's** legal rights in an appeal against the imposition or terms of any statutory notice issued under legislation affecting **your** business.

What is not covered

A claim relating to the following:

1. an appeal against the imposition or terms of any statutory notice issued in connection with your licence, mandatory registration or British Standard Certificate of Registration (please refer to B) Optional extended cover - Insured incident Statutory licence appeal),
2. a statutory notice issued by an **insured person's** regulatory or governing body.

(f) Jury service and court attendance

What is covered

We will pay **costs and expenses** in respect of an **insured person's** absence from work:

1. to perform jury service; or
2. to attend any court or tribunal at the request of the **appointed representative** in relation to a claim that is an insured incident under this section of the **policy**.

The maximum **we** will pay is the **insured person's** net salary or wages for the time that they are absent from work less any amount **you**, the court or tribunal, have paid them.

We will reimburse **you** for net salary or wages that **you** have paid the **insured person** for that time, less any amount they have been paid by, or can recover from, the court or tribunal.

Provided that for each of the sections of Legal defence cover a) - f) above **you** request **us** to provide cover for the **insured person**.

What is not covered

A claim if **you** or the **insured person** are unable to prove the loss.

Contract disputes

What is covered

We will pay **costs and expenses** in a contractual dispute arising from an agreement or an alleged agreement which has been entered into by **you** or on **your** behalf for the purchase, hire, sale or provision of goods or of services, provided that:

- (a) the amount in dispute exceeds £500 (including VAT).
- (b) If the amount in dispute exceeds £5,000 (including VAT), **you** must pay the first £500 of any claim. If **you** are using a **preferred law firm**, **you** will be asked to pay this within 21 days of **your** claim having been assessed as having **reasonable prospects**. If **you** are using **your** own law firm, this will be within 21 days of their appointment (following confirmation **your** claim has **reasonable prospects**). If **you** do not pay this amount the cover for **your** claim could be withdrawn,
- (c) if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £500 (including VAT),
- (d) if the dispute relates to money owed to **you**, a claim under the **policy** is made within 90 days of the money becoming due and payable.

What is not covered

A claim relating to the following:

- 1) A dispute arising from an agreement entered into prior to the inception of this section of the **policy** if the **date of occurrence** is within the first 90 days of the inception of this section of the **policy**, unless equivalent legal expenses insurance was continuously in force immediately before,
- 2) (a) A dispute relating to an insurance policy, other than when your insurer refuses your claim.
(b) a lease, licence, or tenancy of land or buildings, or the sale or purchase of land or buildings. However, **we** will cover a dispute with a professional adviser in connection with these matters.
(c) A loan, mortgage, pension, guarantee or any other financial product. However, we will cover a dispute with a professional adviser in connection with these matters.
(d) A motor vehicle owned by, or hired or leased to **you** other than agreements relating to the sale of motor vehicles where **you** are engaged in the business of selling motor vehicles.
- 3) A dispute with an **employee** or ex-**employee** which arises out of, or relates to, a contract of employment with **you** (Please refer to B) Optional extended cover - Insured incident Employment disputes and compensation awards).
- 4) A dispute which arises out of the:
 - sale or provision of computer hardware, software, systems or services; or
 - the purchase or hire of computer hardware, software, systems or services tailored by a supplier to **your** own specification.
- 5) The recovery of money and interest due from another party, other than disputes where the other party indicates that a defence exists.

Debt recovery

What is covered

We will pay **costs and expenses** in a dispute relating to the recovery of money and interest due from the sale or provision of goods or services, including enforcement of judgments, provided that:

- (a) the debt exceeds £500 (including VAT),
- (b) a claim is made within 90 days of the money becoming due and payable, and
- (c) **we** have the right to select the method of enforcement or to forego enforcing judgment if **we** are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

What is not covered

A claim relating to the following:

- 1) unless equivalent legal expenses insurance was continuously in force immediately prior to the inception of this section of the **policy**, any debt arising from an agreement entered into prior to the start of this section of the **policy** if the debt is due within the first 90 days of the cover provided by this section of the **policy**,
- 2) (a) the settlement payable under an insurance policy,
(b) a lease, licence, or tenancy of land or buildings, or the sale or purchase of land or buildings,
(c) a loan, mortgage, pension, guarantee or any other financial product. However, we will cover a dispute with a professional adviser in connection with these matters,
(d) a motor vehicle owned by or hired or leased to **you** other than agreements relating to the sale of motor vehicles where **you** are engaged in the business of selling motor vehicles.
- 3) a dispute which arises out of the supply, hire, sale or provision of computer hardware, software, systems or services,
- 4) the recovery of money and interest due from another party where the other party indicates that a defence exists,
- 5) any dispute which arises from debts **you** have purchased from a third party.

Personal injury

What is covered

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

What is not covered

A claim relating to the following:

- 1) any illness or **bodily injury** that happens gradually,
- 2) psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused physical **bodily injury**,
- 3) defending an **insured person's** or their family members' legal rights other than defending a counter-claim,
- 4) clinical negligence or the failure or alleged failure to correctly diagnose an **insured person's** or their family member's condition.

Property protection

What is covered

We will pay **costs and expenses** in a civil dispute relating to physical property which is owned by **you**, or is **your** responsibility following:

- 1) any event which causes physical **damage** to such physical property. If this **damage** relates to property that you let out, the amount in dispute must be more than £1,000; or
- 2) a legal nuisance; or
- 3) a trespass.

Please note that **you** must have established the legal ownership or there must be reasonable prospects of establishing **you** have right to the land that is the subject of the dispute.

What is not covered

A claim relating to the following:

- 1) a contract **you** have entered into (please refer to B) Optional extended cover - Insured incident - Contract disputes),
- 2) physical property which is in transit or which is lent or hired out,
- 3) goods at premises other than those occupied by **you**, unless the goods are at the premises for the purpose of installations or use in work to be carried out by **you**, and/or unless the property damage is at **premises** that you let out,
- 4) defending **your** legal rights but **we** will cover defending a counter-claim that is an insured incident under this **policy**,
- 5) a motor vehicle owned or used by, or hired or leased to an **insured person** (other than damage to motor vehicles where **you** are in the business of selling motor vehicles)

Statutory Licence appeal

What is covered

We will pay **costs and expenses** in an appeal to the relevant statutory or regulatory authority, court or tribunal following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel **your** licence, mandatory registration or British Standard Certificate of Registration.

What is not covered

A claim relating to the following:

- 1) the original application or renewal application of a statutory licence, mandatory registration or British Standard Certificate of Registration,
- 2) the ownership, driving or use of a motor vehicle.

Tax protection

What is covered

We will pay **costs and expenses** for:

- 1) A **tax enquiry**
- 2) An **employer compliance dispute**
- 3) A **VAT dispute**

Provided that **you** have taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed.

Please note **we** will only cover tax claims which arise in direct connection with the activities of the **business** shown in the **schedule**. Please see What is covered, page 51.

What is not covered

Any claim relating to the following:

- 1) a tax avoidance scheme.
- 2) any failure to register for Value Added Tax or Pay As You Earn.
- 3) any investigation, enquiry, or prosecution relating to suspected or alleged dishonesty or suspected or alleged criminal offences.
- 4) any claim relating to import or excise duties and import VAT.

Section exclusions

The following exclusions apply to the whole of Section six: Legal expenses. **We** will not pay:

1. Any claim where the **insured person** has failed to notify **us** of the incident within a reasonable time of it happening and where this failure adversely affects the **reasonable prospects** of a claim or **we** consider **our** position has been prejudiced.
2. **Costs and expenses** incurred before **our** expressed acceptance.
3. Any disagreement with **your** tenant when the **date of occurrence** is within the first 90 days of the first **period of insurance** and the tenancy agreement started before the inception of this section of the **policy** unless an equivalent legal expenses policy was in force prior to you insuring with us and cover has been maintained continuously between that previous policy ending and this policy starting.
4. Any claim relating to registering rents, reviewing rents, rent control, buying the freehold of the **premises** or any matter that relates to rent tribunals, rate tribunals, land tribunals, rent assessment committees and rent officers.
5. Any claim relating to someone legally taking the **premises** from **you**, whether **you** are offered money or not, or restrictions or controls placed on the **premises** by any government, public or local authority unless the claim is for accidental physical damage caused by any of the above.
6. Any claim relating to subsidence, mining or quarrying.
7. **Costs and expenses** arising from or relating to judicial review, coroner's inquest or fatal accident enquiry.
8. Fines, penalties, compensation or damages which the **insured person** is ordered to pay by a court or other authority, other than compensation awards covered under B) Optional extended cover - Insured incidents - Employment disputes and compensation awards and Legal defence.
9. Legal action an **insured person** takes which **we** or the **appointed representative** have not agreed to or where the **insured person** does anything that hinders **us** or the **appointed representative**.

10. Any wilful act or omission of an **insured person** deliberately intended to cause a claim under this **policy**.
11. Any defamation claim brought by or against **you** or an **insured person**.
12. Any claim where an **insured person** is not represented by a law firm, barrister or tax expert.
13. Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
14. Any claim relating to rights under a franchise or agency agreement entered into by **you**.
15. Any claim relating to a shareholding or partnership share in the **business**.
16. Any claim under this **policy** for a dispute with **us**. For disagreements with **us** about the handling of a claim refer to Section Condition 8.
17. Any claim where either at the start of or during the course of a claim:
 - a) **you** are declared bankrupt
 - b) **you** have filed a bankruptcy petition
 - c) **you** have filed a winding-up petition
 - d) **you** have made an arrangement with your creditors
 - e) **you** have entered into a deed of arrangement
 - f) **you** are in liquidation
 - g) part or all of **your** affairs or property are in the care or control of a receiver or administrator.
18. Any claim caused by, contributed to by or arising from:
 - a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
 - b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;
 - c) war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, military force or coup, or any other act of terrorism or alleged act of terrorism as defined by the Terrorism Act 2000;
 - d) pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

Section conditions

The following conditions apply to the whole of Section six: Legal expenses of **your** insurance:

1. (a) On receiving a claim, if representation is necessary, **we** will appoint a **preferred law firm** or tax consultancy as **your appointed representative** to deal with **your** claim. They will try to settle **your** claim by negotiation without having to go to court.
- (b) If the appointed **preferred law firm** or tax consultancy cannot negotiate settlement of **your** claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then **you** may choose a law firm or tax expert of **your own** choice to act as the **appointed representative**. **We** will choose the **appointed representative** to represent **you** in any proceedings where **we** are liable to pay a compensation award.
- (c) If you choose a law firm as **your appointed representative** who is not a **preferred law firm** or tax consultancy, **we** will give **your** choice of law firm the opportunity to act on the same terms as a **preferred law firm** or tax consultancy. However, if they refuse to act on this basis, the most **we** will pay is the amount we would have paid if they had agreed to the **ARAG Standard Terms of Appointment**. The amount **we** will pay a law firm (where acting on **your** behalf) is currently £100 per hour. This amount may vary from time to time.
- (d) The **appointed representative** must co-operate with **us** at all times and must keep **us** up to date with the progress of the claim.
2. An **insured person** must:
 - (a) co-operate fully with **us** and the **appointed representative**;
 - (b) give the **appointed representative** any instructions that **we** ask them to.
3. (a) An **insured person** must tell **us** if anyone offers to settle a claim and must not negotiate or agree to any settlement without **our** expressed consent.
- (b) If an **insured person** does not accept a reasonable offer to settle a claim, **we** may refuse to pay further **costs and expenses**.
- (c) **We** may decide to pay an **insured person** the reasonable value of the claim that the **insured person** is claiming or is being claimed against them instead of starting or continuing legal action. In these circumstances an **insured person** must allow **us** to take over and pursue or settle a claim in their name. An **insured person** must allow **us** to pursue at **our** own expense and for **our** benefit, any claim for compensation against any other person and an **insured person** must give **us** all the information and help **we** need to do so.
1. (a) An **insured person** must instruct the **appointed representative** to have **costs and expenses** taxed, assessed or audited if **we** ask for this.
- (b) An **insured person** must take every step to recover **costs and expenses** and court attendance and jury service expenses that **we** have to pay and must pay to **us** any amounts that are recovered.

5. If the **appointed representative** refuses to continue acting for an **insured person** with good reason or if an **insured person** dismisses the **appointed representative** without good reason, the cover **we** provide will end at once, unless **we** agree to appoint another **appointed representative**.
6. (a) If an **insured person** settles a claim or withdraws their claim without **our** agreement, or does not give suitable instructions to the **appointed representative**, **we** can withdraw cover and will be entitled to reclaim any **costs and expenses we** have paid.
 (b) If during the course of a claim **reasonable prospects** no longer exist, the cover **we** provide will end at once. **We** will pay any **costs and expenses we** have agreed to, up to the date cover was withdrawn.
7. If there is a disagreement between an **insured person** and **us** on the merits of the claim or proceedings, or on a legal principle, **we** may suggest the **insured person** obtains at their own expense an opinion on the matter from an independent and appropriate expert. The expert must be approved in advance by **us** and the cost expressly agreed in writing between the **insured person** and **us**. Subject to this **we** will pay the cost of getting the opinion if the expert's opinion indicates that it is more likely than not that the **insured person** will recover damages (or obtain any other legal remedy that **we** have agreed to) or make a successful defence. This does not affect the **insured person's** rights under Policy Condition 8.
8. If there is a disagreement about the handling of a claim and it is not resolved through **our** internal complaints procedure, the Financial Ombudsman Service may be able to help. This is a free complaint resolution service for eligible complaints (Details available from www.financial-ombudsman.org.uk).

Alternatively, there is a separate arbitration process available that can be used to settle any dispute with **us**. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, **we** will ask the Chartered Institute of Arbitrators to decide. The arbitrator will decide who will pay the costs of the arbitration. For example, costs may be split between the **insured person** and **us** or may be paid by either the **insured person** or **us**.

9. An **insured person** must:
 - (a) keep to the terms and conditions of this **policy**,
 - (b) take reasonable steps to avoid and prevent claims,
 - (c) take reasonable steps to avoid incurring unnecessary costs,
 - (d) send everything **we** ask for in writing, and
 - (e) report to **us** full and factual details of any claim as soon as possible and give **us** any information **we** need.
10. **We** will, at **our** discretion, void this section of the **policy** (make it invalid) from the date of claim, or alleged claim and/ or **we** will not pay the claim if:
 - (a) a claim the **insured person** has made to obtain benefit under this section of the **policy** is fraudulent or intentionally exaggerated, or
 - (b) a false declaration or statement is made in support of a claim.
11. Apart from **us**, only **you** may enforce all or any part of this section of the policy and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the policy in relation to any third-party rights or interest.
12. If any claim covered under this section of the **policy** is also covered by another policy, or would have been covered if this section of the **policy** did not exist, **we** will only pay our share of the claim even if the other insurer refuses the claim.
13. This section of the **policy** is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where **your business** is registered. Otherwise the law of England and Wales applies. All Acts of Parliament mentioned in this **policy** include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

Claims procedure

Helping you with your legal problems

If **you** wish to speak to **us** about:

- **Legal Advice** – **you** can get telephone legal advice on any legal issue affecting **you**
- **Claims** – **you** can report a claim 24 hours a day, 7 days a week
- **Tax Advice** – dedicated tax advisers can provide advice on tax issues affecting **you**

Please phone **us** on **0344 893 5726**. **We** will ask **you** about **your** legal issue and if necessary, call **you** back to deal with **your** query.

Making a claim

Please do not ask for help from a lawyer, accountant or anyone else before **we** have agreed that **you** should do so. If **you**

do, **we** will not pay the costs involved even if **we** accept the claim.

To report **your** claim visit claims.araginsurance.co.uk. Alternatively, call **us** on **0344 893 0859**, available 24 hours a day, 7 days a week. Have **your policy** number ready (the **policy** number can be found on **your schedule**).

We will assess the claim to check **your** claim is covered by this section of **your** policy, and, if it is, **we** will send it to a lawyer who specialises in **your** type of claim. The lawyer will assess **your** case and tell **you** how likely it is **you** will win. If **you** are more likely than not to win, the lawyer will manage the case from start to finish.

Please note this is an overview of the claims process for guidance purposes only. Please visit claims.araginsurance.co.uk for more details on how to claim.

Privacy

When you purchase and use a ARAG product, **we** will process personal information about you and anyone else whose details are provided to us to provide you with a service or a claim.

We process your personal information in accordance with **our** Privacy Notice. You can find our Privacy Notice online at www.arag.co.uk/privacy. Alternatively, you can make a request for a printed copy to be sent to you by contacting dataprotection@arag.co.uk.