



POLICY DOCUMENT

# Property Owners Policy Wording

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# About Your Policy

This Policy has been produced by Pen Underwriting Limited a Managing General Agent of the Insurers stated in The Schedule. The Insurers have delegated authority to Pen Underwriting Limited to underwrite Insurance and handle Claims for You on their behalf.

This Policy wording explains the insurance provided under this contract. The Policy is a contract between You and the insurer(s) stated in The Schedule. Any reference in this document to 'We', 'Us', 'Our' or the 'Insurer' is a reference to the insurer(s) stated on The Schedule.

In return for You having paid or agreed to pay the premium for the Period of Insurance, We will indemnify You by payment or, at Our option, by reinstatement or repair to the extent of and subject to the terms contained in or endorsed on the policy.

Each Section may include terms Definitions Conditions and Exclusions unique to the Section which should be read in conjunction with the Policy Definitions, Conditions and Exclusions.

An Endorsement forms an addition to the Section and varies the insurance provided by the Section.

The Schedule or Appendix and any Endorsement should be read together for precise details of Your insurance protection.

Please take care to review all documentation carefully to ensure that the information provided accurately reflects Your circumstances and that the cover provided suits Your requirements.

You should pay particular attention to any terms conditions limits and exclusions including endorsements which may require You to take action.

## Duty of Fair Presentation

This Policy is a contract between You and the Insurer.

**Please read the whole document carefully.** It is arranged in different Sections. It is important that

- You are clear which Sections You have requested and want to be included;
- You understand what each Section covers and does not cover;
- You understand Your own duties under each Section and under the insurance as a whole.

Please contact Your broker immediately if this Document is not correct or if You would like to ask any questions.

### Important Notice:

You are required to make a fair presentation of the risk to Insurers.

If You breach Your duty to provide a fair presentation and any such breach was deliberate or reckless, Insurers may

regard the Policy as void and are not required to return any paid Premium to You.

If the breach was not deliberate or reckless, Insurers' remedy shall depend upon what Insurers would have done if You had complied with the duty of fair presentation:

1. Insurers may regard the Policy as void if Insurers would not have entered into the Policy on any terms in the absence of the breach. In this case, the Insurers must return the premium paid (and, if applicable, You must return any payments made by Insurers under the terms of the Policy).
2. If the Insurers would have entered into the Policy, but on different terms (other than terms relating to premium) the Policy is to be treated as if those different terms applied from the outset, if the Insurer so requires.
3. If the Insurers would have entered into the Policy but would have charged a higher premium the Insurers may reduce the amount to be paid on a Claim (and, if applicable, the amount already paid on prior claims) by the proportion the premium actually paid bears to the premium that would have been charged. This remedy may apply in addition to the remedy at 2. above.

## Terms and Conditions

Where: (i) there has been a failure to comply with a term (express or implied) of this Policy, other than a term which defines the risk as a whole; and (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, the Insurer cannot rely on the breach of such term to exclude, limit or discharge its liability if You show that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred

If You breach any warranty in this Policy, the Insurer's liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The Insurer will have no liability to You for any loss which occurs, or which is attributable to something happening, during the period when the Insurer's liability is suspended.

Authorised Signatory  
Tom Downey



Pen Underwriting Limited is authorised and regulated by the Financial Conduct Authority (FCA number 314493).

Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales.  
Company Number: 5172311.

## Complaints

At County Insurance Services Ltd and Pen Underwriting, it is always our intention to provide a first class standard of service. However, it is appreciated that occasionally things go wrong. In the first instance please contact County Insurance Services Ltd to resolve any concerns You have at:

Compliance Manager  
County Insurance Services Ltd  
County House, Glyme Court, Langford Lane, Kidlington,  
OX5 1LQ  
Telephone: 01865 290924  
Email: [jon@county-insurance.co.uk](mailto:jon@county-insurance.co.uk)

Alternatively You can complain by contacting Pen Underwriting Limited (as per the contact details below) quoting Your Policy and/or Claim number. We will investigate Your concerns and provide a response as soon as possible.

Pen Underwriting Limited Complaints  
7th Floor, Spectrum Building  
55 Blythswood Street Glasgow, G2 7AT

Telephone: 0141 285 3539  
Email: [pencomplaints@penunderwriting.com](mailto:pencomplaints@penunderwriting.com)

In respect of complaint relating to DAS Commercial Legal Protection

We always aim to give You a high quality service. If You think We have let You down, You can contact Us by:

- phoning **0344 893 9013**
- emailing [customerrelations@das.co.uk](mailto:customerrelations@das.co.uk)
- writing to

Customer Relations Department,  
DAS Legal Expenses Insurance Company Limited,  
DAS House, Quay Side, Temple Back,  
Bristol, BS1 6NH

- Completing Our online complaint form at [www.das.co.uk](http://www.das.co.uk)

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

You can also contact Your Insurer, contact details can be found in The Schedule.

Should You remain dissatisfied having received a Final Response to Your complaint and You fit the definition of an 'eligible complainant', You may then be able to refer Your complaint to the Financial Ombudsman Service (FOS). Please note that the FOS allow 6 months from the date of the Final Response to escalate Your complaint to them. Further details on eligibility and the referral process can be found on the FOS Website.

The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR  
Telephone: 0800 0234567 (for landline users)

Telephone: 0300 1239123 (for mobile users)  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

For complaints relating to Legal Expenses, please refer to that section of the policy for details.

## Compensation Scheme

The providers of this insurance as defined in this Policy are covered by the Financial Services Compensation Scheme (FSCS). If they cannot meet their obligations You may be entitled to compensation under this scheme depending on the type of insurance and the circumstances of the claim

You are covered for 90 per cent of the claim without any upper limit. However, for compulsory classes of insurance You are covered for 100 per cent of the claim without any upper limit.

Further information about compensation scheme arrangements is available from the FSCS

You can visit the website at [www.fscs.org.uk](http://www.fscs.org.uk)

## Notification of a circumstance for Claims Made covers

You shall give Us notice as soon as reasonably practicable of any Circumstances of which You first becomes aware during the Period of Insurance.

If such notice is given, provided that We accept it as a proper notification of Circumstances, any Claim covered pursuant to this Policy which is subsequently made and which arises out of the Circumstances, shall be deemed to have been first made against You and reported to Us at the time such notice was received.

Such notice must be given in writing or by an agreed electronic format. For details on how to notify Your Claim, please refer to Your Schedule.

## Your Right to Cancel

You have the right to cancel the insurance Policy within 14 days of receiving the Policy Documentation and receive a full refund of any premium paid, provided that there have been no claims either paid, reported or outstanding. For the purposes of this cancellation clause, it will be deemed that You will have received the Policy Document on the business day following the date it was posted to You by first class post or, if sent by e-mail, the day the e-mail was sent provided it was sent before 4pm (if sent after 4pm, it will be deemed that You will have received the Policy Document on the business day following the date it was sent).

If You do cancel this insurance within the initial 14 day period, then no cover will have been in place from the date of inception, as specified in The Schedule and no liability whatsoever shall attach to the Insurers in respect of the Policy.



## The Law that governs this Policy

Unless the parties have agreed otherwise in writing any dispute concerning the interpretation of this Policy shall be governed and construed in accordance with English law and shall be resolved within the exclusive jurisdiction of the courts of England and Wales.

## Data Protection

We are the data controller of any personal data You provide to us. We collect and process personal data in order to offer and provide insurance services and policies and to process claims. Personal data is also used for business purposes such as fraud prevention and detection, financial management, to generate risk modelling, conduct analytics including to advise, improve and develop our products and services and to comply with our legal and regulatory obligations. This may involve sharing information with, and obtaining information from, our group companies and third parties such as (re)insurers, other brokers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators or fraud prevention agencies.

We may record telephone calls to help us to monitor and improve the service we provide as well as for regulatory purposes.

Please see our Privacy Notice for further information on how Your personal data is used, shared, disclosed and retained, Your rights in relation to Your personal data and how to contact our Data Protection Officer. Our Privacy Notice can be found at <https://www.penunderwriting.co.uk/Privacy-Policy>. From time to time we may make important updates to our Privacy Notice and these may in turn affect the way we use and handle Your data. Please ensure You review our Privacy Notice periodically to ensure You are aware of any changes.

If You are entering into this agreement in the course of Your business, or as a charity, for charitable purposes and providing information on other individuals to us, for example Your employees and/or any other party that would be covered under the insurance policy we may be placing or services we may provide to You, You shall ensure that individuals whose personal data You are providing to us have been provided with fair processing notices that are sufficient in scope and purpose, and that You have obtained all appropriate consents, where required, or are otherwise authorised, to transfer the personal data to us and enable us to use the personal data and process the personal data for the purposes of this agreement and as set forth in our Privacy Notice. You must not share personal data with us that is not necessary for us to offer, provide or administer our services to You.

## Data Protection – Commercial Legal Expenses Section

To comply with data protection regulations We are committed to processing personal information fairly and transparently. This Section is designed to provide a brief understanding of how We collect and use this information.

We may collect personal details including name, address, date of birth, email address and, on occasion, dependent on the type of cover in place, sensitive information such as medical records.

This is for the purpose of managing the products and services in place and this may include underwriting, claims handling and providing legal advice.

We will only obtain personal information either directly from you, the third party dealing with your claim or from the authorised partner who sold this policy.

## Who we are

DAS is part of DAS Legal Expenses Insurance Company Limited which is part of DAS UK Holdings Limited (DAS UK Group). The uses of personal data by us and members of the DAS UK Group are covered by Our individual company registrations with the Information Commissioner's Office. DAS has a Data Protection Officer who can be contacted at [dataprotection@das.co.uk](mailto:dataprotection@das.co.uk)

## How we will use your information

We may need to send personal information to other parties, such as lawyers or other experts, the court, insurance intermediaries, insurance companies, appointed service providers, specialist agencies or other members of the DAS UK Group, so they may contact you for your feedback. If the policy includes legal advice We may have to send the personal information outside of the European Economic Area (EEA) in order to give legal advice on non-European Union law. Dependent on the type of cover in place, the personal information may also be sent outside the EEA so the service provider can administer the claim.

We will take all steps reasonably necessary to ensure the personal data is treated securely and in accordance with this Privacy Notice. Any transfer outside of the EEA will be encrypted using SSL technology.

We will not disclose the personal data to any other person or organisation unless We are required to by Our legal and regulatory obligations. For example, We may use and share the personal data with other organisations and public bodies, including the police and anti-fraud organisations, for the prevention and detection of crime, including fraud and financial sanctions. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money laundering. Further details explaining how the information held by fraud prevention agencies may be used can be obtained by writing to, or telephoning DAS. A copy is also accessible and can be downloaded via Our website.

## What is our legal basis for processing your information?

It is necessary for Us to use the personal information to perform Our obligations in accordance with any contract that We may have with the person taking out this Section. It is also in Our legitimate interest to use the personal information for the provision of services in relation to any contract that We may have with the person taking out this Section.

## How long will your information be held for?

We will retain personal data for 7 years. We will only retain and use the personal data thereafter as necessary to comply with Our legal obligations, resolve disputes, and enforce Our agreements. If you no longer want Us to use the personal data, please contact Us at [dataprotection@das.co.uk](mailto:dataprotection@das.co.uk)

### What are your rights?

The following rights are available in relation to the handling of personal data:

- the right to access personal data held
- the right to have inaccuracies corrected for personal data held
- the right to have personal data held erased
- the right to object to direct marketing being conducted based upon personal data held
- the right to restrict the processing for personal data held, including automated decision-making
- the right to data portability for personal data held.

Any requests, questions or objections should be made in writing to the Data Protection Officer:

Data Protection Officer  
DAS Legal Expenses Insurance Company Limited  
DAS House  
Quay Side  
Temple Back  
Bristol, BS1 6NH

Or via email: [dataprotection@das.co.uk](mailto:dataprotection@das.co.uk)

### How to make a complaint

If there is any dissatisfaction with the way in which personal data has been processed, the Data Protection Officer can be contacted in the first instance using the details above.

If you remain dissatisfied, the Information Commissioner's Office can be approached directly for a decision.

Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire  
SK9 5AF

[www.ico.org.uk](http://www.ico.org.uk)

### Identity of Insurer

Please refer to Identity of Insurers in Your Policy Schedule.

### How to make a claim

At County Insurance Services Ltd and Pen Underwriting (Delegated) We understand that claims form a critical component of Our offering the moment the Policy becomes tangible and We are relied upon to deliver upon Our commitment to You.

We have assembled an experienced team who embody Our three key principles of:

**Partnership** – Working together to achieve the optimum outcome to the claim

**Expertise** – We employ staff and engage service providers who are experts in their field

**No-nonsense** – We apply a flexible and proactive approach to the claims process To report a claim under any Section other than Commercial Legal Expenses, please contact in the first instance:

County Insurance Services Ltd Claims Department  
Tel: 01865 844995  
Email: [claims@county-insurance.co.uk](mailto:claims@county-insurance.co.uk)

Or

Pen Underwriting Claims Telephone Number – 03330 107 190  
Claims Email Address – [uk.newclaims@penunderwriting.com](mailto:uk.newclaims@penunderwriting.com)

To report a claim under Commercial Legal Expenses Section:

If you issue cannot be dealt with through legal advice and needs to be dealt with as a potential claim under this policy, please contact:

Claims Telephone Number – 0344 893 0859 where you will be given a reference number

At this point we will not be able to tell You whether the claim is covered but We will pass the information that You have given us to Our claims handling team and explain what to do next.

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.

# Policy Definitions

These Definitions apply to Your entire Policy wherever these words or phrases appear starting with an upper case letter except where otherwise stated

## Building(s)

means structures (including foundations) at the Premises including landlords fixtures and fittings, swimming pool, tennis courts, walls, gates, fences, patios, terraces, drives, yards, car parks, car ports, roads, pavements and associated underground pipes and cables belonging to You, or for which You are responsible for in the Event of Damage at the Premises. This is, unless otherwise stated in the Schedule, built mainly of brick, stone, concrete or other non-combustible materials and includes unless more specifically insured:

- 1) shop fronts and all fixed glass therein, blinds and fitments thereon and internal decorations on ceilings and walls, for which you are responsible for as the owner of the Premises
- 2) fixed glass and sanitary ware
- 3) security lighting, security cameras and other security or fire protection devices, affixed signs, television radio satellite receiving aerials, communication aerials, masts affixed to the building, fixed pole, fixed pylons and fitting
- 4) landscaping and recreational features

## Business

means Your business as stated in the Schedule

## Company/Insurer/Our/Us/We

means insurers whose identity is stated as Identity of Insurers in the Policy Schedule

## Contractual Liability

means liability attaching to You by virtue of a contract but which would not have attached in the absence of such contract

## Damage

means physical loss or destruction of or damage to Property

## Data

means information represented or stored electronically, including but not limited to code or series of instructions, operating systems, software programs and firmware

## Denial of Service Attack

means any actions or instructions constructed or generated with the ability to Damage, interfere with or otherwise affect the availability of networks or network services or network connectivity or information systems

The Definition of Denial of Service Attack includes but is not limited to, the generation of excess traffic into network addresses and the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and among networks

## Electronic Data

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

## Employee(s)

means

- 1) anyone under a contract of service or apprenticeship with You
- 2) any
  - a) labour master or labour only subcontractor or person supplied or employed by them
  - b) self-employed person
  - c) person hired to or borrowed by You
  - d) person engaged under a work experience youth training or similar scheme
  - e) voluntary helper
  - f) outworker or homeworker

under Your control and supervision while working for You in connection with Your Business

## Endorsement(s)

means the document(s) detailing modifications made to the insurance provided under the Policy or Section

## Event

means any one occurrence or series of occurrences, directly or indirectly attributable to single source or the same original repeated or continuing cause

## Excess

means the amount You or any party entitled to indemnity will contribute in relation to every Event insured at each Premises each and every loss before We assume any responsibility to make a payment for and applies after the application of all other terms and Conditions including any Condition of Average (underinsurance)

The Excess does not form part of the Limit of Liability and is payable by You before the application of the Limit of Liability

All claims or series of claims arising out of any one Event, will be treated as one claim.

### Hacking

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

### Incident

means an Event of Damage to insured Property used by Your Business carried on at the Premises

### Insured/You/Your

means the person or corporate body or organisation detailed in the Schedule

### Microchip

means a unit of packaged computer circuitry manufactured in small scale and made for program logic including computer memory purposes and expressly including integrated circuits and microcontrollers

### Minimum and Deposit

means that no premium refund will be given upon cancellation of the policy. If a premium adjustment is due at the end of the Period of Insurance no return premium will be given, although additional premiums can still be collected by Us

### Period of Insurance

means the period stated in the Schedule or any subsequent period for which We agree to accept payment of premium

### Pollution or Contamination

means

- 1) pollution or contamination of Buildings or structures or of water or land or the atmosphere

and

- 2) all loss Damage or Bodily Injury directly or indirectly caused by or arising from such pollution or contamination

### Premises

means the part of the premises at the address or addresses specified in the Schedule belonging to You or for which You are responsible.

Unless otherwise stated the Premises are:

- 1) built of brick stone or concrete
- 2) roofed with slate tiles concrete asphalt metal or sheets or slabs composed entirely of incombustible mineral ingredients, with the exception of small outbuilding or flat roofs.

### Property

means material property

### Schedule

means the document stating the operative Section(s) You have chosen, the Period of Insurance and details Your Business the Limit of Liability or Sum Insured and or Total Sum Insured and or insurance provided under the Sections(s)

### Section(s)

means the parts of this Policy that detail the insurance cover provided for each individual Section of this Policy

### Specified Perils

means the numbered specified perils detailed in the Buildings Section of this Policy

### Sum Insured

means the maximum amount We will pay for each item insured under any Section

### System

means computers other computing and electronic equipment linked to a computer hardware software programs data electronic data processing equipment Microchip and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation

### Territorial Limits

means Great Britain Northern Ireland the Isle of Man or the Channel Islands but not Offshore Activity

### Terrorism

Not applicable to Liability Section

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

### Unoccupied

means any Building or any portion of a Building that is untenanted and/or unfurnished and/or no longer in active use and/or empty for a period of more than 30 consecutive days

### Virus

means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Virus includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.



# Policy Conditions

## Alteration of Risk

The insurance under this Policy will cease if after the commencement of this insurance

- 1) Your interest ceases except by death
- 2) Your Business be wound up or carried on by a liquidator or administrator or receiver or permanently discontinued
- 3) the risk of Damage, accident or Bodily Injury is materially increased, unless We state otherwise in writing

## Misrepresentation Misdescription or Non-disclosure

You must make a fair presentation of the risk in a manner which would be reasonably clear and accessible before entering into this Policy, including:

If You knew You did not provide a fair presentation of the risk or if You did not care whether You made a fair presentation of the risk, We may avoid this Policy and retain all premiums and You shall reimburse Us in respect of all payments already made by Us.

In all other cases, if You did not provide a fair presentation of the risk, Our rights are set out below

- 1) if We would not have entered into this Policy if You had made a fair presentation of the risk, We may avoid this Policy and return all premiums to You and You shall reimburse us in respect of all payments already made by Us.
- 2) if We would have entered into this Policy but on different terms other than as to premium, this Policy will be treated as if it had been entered into on those different terms.
- 3) in addition, if We would have entered into this Policy but would have charged a higher premium, We may reduce proportionately the amount to be paid on any claim by reference to the calculation below, in which "X" represents the percentage of the full value of the claim that We shall be required to pay.

$X = \text{premium charged} \div \text{the premium that would have been charged if You made a fair presentation of the risk all multiplied by 100}$

- 4) if We would have charged a higher premium and would have entered into the Policy on different terms, both paragraphs 2 and 3 above shall apply.

## Conditions Precedent and Warranties

It is a condition precedent to Our liability that You comply with all terms, conditions and exclusions of this Policy, insofar as they relate to anything to be done or complied with by You.

Where:

- (i) there has been a failure to comply with a term (express or implied) of this Policy, other than a term which defines the risk as a whole;
- and
- (ii) compliance with such term would tend to reduce the risk of loss of a particular kind, and/or loss at a particular location, and/or loss at a particular time, We cannot rely on the breach of such term to exclude, limit or discharge its liability if You show that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If You breach any warranty in this Policy, Our liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). We will have no liability to You for any loss which occurs, or which is attributable to something happening, during the period when Our liability is suspended.

## Fraud

If any claim under this Policy is in any respect fraudulent or if any fraudulent means be used by You or anyone acting on Your behalf to obtain any benefit under this Policy, or if any Damage be occasioned by the wilful act or with Your connivance, We may terminate this Policy with effect from the date of the fraudulent or wilful act and We shall not be liable to provide an indemnity in respect of the claim and will be entitled to recover any amounts already paid in respect of the claim and We shall not be liable to provide an indemnity in respect of any act event claim or incident after such date and We shall be entitled to retain all premiums paid in respect of the Policy

## Cancellation

- 1) Your rights
  - 1.1) You may cancel this Policy in the first year of insurance within a period which begins 14 days from the commencement of cover or receipt of Policy documentation, whichever is the later (this is known as the 'cooling off' period)

You may exercise this right by writing to Your insurance adviser or Us instructing cancellation and returning all documentation to Your insurance advisor. We will refund the full amount of any premium paid by You.

If a claim has been made or an incident notified to Us that could give risk to a claim during the 'cooling off' period, the Policy will be treated as in force and no refund will be made.

This right does not apply at the first or any subsequent renewal of this Policy

- 1.2) You may cancel this Policy after the 'cooling off' period by sending written notice of cancellation by registered post to Your insurance advisor.

Such cancellation will be effective no more than sixty days after the date of posting. At Our discretion, in the event of non-payment of premium the cancellation shall be effective ten days after the date of posting. Sending notice by registered post shall be sufficient proof of notice and the effective date and hour of cancellation stated in the notice shall become the end of the Period of Insurance.

If You cancel this Policy then You may be entitled to a proportionate refund premium based on the number of days remaining in the Period of Insurance, unless a claim has been made or an incident notified to Us which could give rise to a claim, during the Period of Insurance whereby should the estimated or paid claim cost exceed the premium for the spend period, the cost of the claim will be deducted from the return premium payable. The total amount refunded to You will be calculated by Us in accordance with the process set out above. The calculation made by Us will be final and binding.

2) Our rights

We may cancel this Policy at any time by providing You with 14 days' notice of cancellation by recorded delivery letter to Your last known Business address

If We cancel the Policy then You will be entitled to a proportionate refund of the premium based on the number of days remaining in the Period of Insurance, unless a claim has been made or an incident notified to Us which could give rise to a claim during the Period of Insurance when no refund of premium will be made.

If You have made no payment in consideration of this Policy and then You fail to put this right when We ask You We may cancel this Policy by sending You 14 days written notice to Your last known address and then the policy will be not taken up and will be treated as if it had never existed

3) Certificate of insurance

If this Policy is cancelled You must return to Us any current certificate of insurance that has been issued as a statutory requirement to provide evidence of cover

# Claims Conditions

## Claims (Action to be taken by You)

Not applicable to Property Owners Liability Section or Employers Liability Section

It is a condition precedent to any liability of Ours to make any payment under this Policy that You will

- 1) give written notice to Us as soon as reasonably practicable of any circumstance which may give rise to a claim under this Policy with full particulars of such Event
- 2) notify Us and the police immediately that it becomes evident any Damage has been caused by Specified Perils 6) Malicious Persons and or 16) Theft or Attempted Theft and take all practical steps to discover any guilty person and to trace and or recover the Property insured
- 3) deliver to Us at Your own expense within 30 days after the Event of Damage giving rise to a claim or 7 days in the Event of Damage being caused by Specified Perils 5) Riot Civil Commotion Strikers Locked-out Workers and or 6) Malicious Persons or such further time as We may allow
  - 3.1) full information in writing of the Property lost destroyed or damaged and of the amount of Damage
  - 3.2) details of any other insurance on any Property hereby insured
  - 3.3) all such proofs and information relating to the claim as may be reasonably required
  - 3.4) if requested provide a statutory declaration of the truth in respect of the claim submitted and any other relevant details
- 4) provide all additional information We may require within the time stipulated by Us
- 5) forward unanswered to Us immediately they are received every claim form summons or other originating process or any letter of claim or other written notification of claim and all documents relating thereto
- 6) give immediate notice in writing to Us of any impending prosecution inquest or fatal accident inquiry
- 7) at all times and in addition to the obligations set out above forward such information to and cooperate with Us or Our appointed agents to allow Us to be able to comply with such relevant practice directions and pre- action protocols as may be in force
- 8) take all reasonable precautions to minimise any interruption or interference to the Business
- 9) carry out and permit to be taken any action which may be reasonably practicable to prevent further Damage

## Claims (Our Rights)

Not applicable to Property Owner Section or Employers Liability Section

It is a condition precedent to any liability of Ours to make any payment under the Policy that in the Event of Damage for which a claim is or may be made to Us any person authorised by Us may without hereby incurring any liability or diminishing any of Our rights under this Policy

- 1) enter any Premises where Damage has occurred and take and keep possession of the Property insured
- 2) deal with any salvage as it deems fit but no Property may be abandoned to Us if We elect or become bound to reinstate or replace any Property You shall at Your own expense produce and give to Us all such plans documents books and information as We shall reasonably require

We shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one Property insured Item more than the Sum Insured or Limit of Liability stated in the Schedule

We shall not enforce any rights against:

- 1) a tenant or lessee in respect of Damage to the part of the Building in the demise of that tenant or lessee or to common parts of the Building unless the Damage arises out of a criminal fraudulent or malicious act.
- 2) any company being parent or subsidiary to the You or any company which is a subsidiary of a parent company of which You are yourselves a subsidiary in each case within the meaning of Section 736 and 744 of the Companies Act 1985 or Articles 2 and 4 of the Companies (Northern Ireland) Order 1986

## Claims (Conduct and Control)

It is a condition precedent to any liability of Ours to make any payment under this Policy that no admission offer promise payment or indemnity shall be made or given by or on behalf of You without Our written consent

We shall be entitled if We so desire to take over and conduct in Your name the defence or settlement of any claim or to prosecute in Your name for Our benefit any claim for indemnity or damages or otherwise

We shall have full discretion in the conduct of any proceedings and in the settlement of any such claim against You and You shall give all such information and assistance as We may require

## Claims (Contribution)

Not applicable to Property Owner Subsection or Employers Liability Subsection

If at the time of any Damage there is any other insurance effected by or on Your behalf, covering any of the Property

lost or Damaged Our liability hereunder shall be limited to its rateable proportion of such Damage

If any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this policy whether in whole or in part or from contributing rateably then Our liability hereunder shall be limited in respect of such Damage to any excess beyond the amount which would have been payable under such other insurance had this policy not been effected.

### Claims (Reinstatement)

If at Our option any Property is to be reinstated or replaced, You will at Your own expense provide all such plans, documents, books and information as may be reasonably required.

We will not be bound to reinstate exactly or completely, but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one Property insured Item more than the Sum Insured or Limit of Liability stated in the Schedule

### Claims (Subrogation)

Any claimant under this Policy shall at the request and expense of Us take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment is made by Us

We shall not enforce any rights against:

- 1) a tenant or lessee in respect of Damage to part of the Building in the demise of that tenant or lessee or to common parts of the Building unless Damage arises out of a criminal, fraudulent or malicious act by the tenant or lessee.

At Your request after a claim the waiver may be extended to the remained of the Buildings unless Damage arises out of a criminal, fraudulent or malicious act;

- 2) a property manager in respect of Damage to the Buildings, but only if requested to do so by You after a claim under the Policy and Damage does not arise out of a fraudulent or criminal act; or
- 3) any company being parent of or subsidiary to You or any company which is a subsidiary of a parent company of which You are yourselves a subsidiary in each case within the meaning of the Companies Act 2006

### Premium Adjustment

If the premium for any Section or any part thereof is based on estimates an accurate record containing all particulars relative thereto shall be kept by You.

At all times, You will allow Us to inspect such record and shall supply such particulars as We may require, within one month from the expiry of each Period of Insurance and the premium shall thereupon be adjusted by Us, subject to the Minimum Premium chargeable for the Section as stated in the Schedule being retained by Us

At Our request, You shall supply an auditors certificate in support of such particulars If You fail to supply such particulars within the period stated by Us, We shall be entitled to make a reasonable estimate of such particulars and adjust the premium accordingly.

### Reasonable Precautions

You shall take all reasonable precautions

- 1) to prevent any Event which may give rise to a claim under this Policy
- 2) to maintain Your Premises in a good state of repair
- 3) to comply with all statutory and other obligations and regulations imposed by any authority
- 4) to make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require

Where the obligations above reduce the risk of a loss of a particular kind, at a particular location and/or at a particular time do not define the risk as a whole, we shall not rely on any non-compliance to prevent our liability under the terms of this Policy if the non-compliance could not have increased the risk of the loss which actually occurred whilst You are not in compliance with the obligations above.

We shall not be liable to provide an indemnity in respect of any act event claim or incident occurring whilst You are not in full compliance with the obligations above

### Subjectivity

- 1) We will clearly state in a Subjectivity Endorsement attaching to the Schedule if the indemnity provided by this Policy is subject to You
  - 1.1) providing Us with any additional information requested by the required date(s)
  - 1.2) completing any actions agreed between You and Us by the required date(s)
  - 1.3) allowing Us to complete any actions agreed
- 2) If We require You must allow Us access to Your Premises or contract sites or Business to carry out survey(s) and state any risk requirements or actions which require Your compliance by the required date(s)

Upon completion of risk requirements or actions or where they are not completed by the required dates We may at Our option

- 1) modify the premium
- 2) issue a mid-term Endorsement to the Policy or Section terms Conditions and Exclusions
- 3) require You to make alterations to the Premises or contract sites or Business insured by the required date(s)



- 4) exercise Our right to cancel the Policy
- 5) leave the Policy or Section terms Conditions and Exclusions and the premium unaltered

We will contact You or Your insurance adviser with Our decision and where applicable specify the date(s) by which any risk requirements or action(s) agreed need to be completed by You and or any decision by Us will take effect

Our requirements and decisions will take effect from the date(s) specified unless and until they agree otherwise in writing. If You disagree with Our requirements and or decisions We will consider the Your comments and where We consider appropriate We will continue to negotiate with You or Your insurance adviser and or representatives to resolve the matter to the Your and Our satisfaction

In the event that the matter cannot be resolved

- 1) You have the right to cancel this Policy from a date agreed by You and Us and the Policy Condition Cancellation 1.2) return of premium applies
- 2) We may at Our option exercise Our rights under 2) Our Rights of the Policy Condition Cancellation

Except where stated all other Policy and Section terms Conditions and Exclusions will continue to apply

If We exercise either option 1) or 2) or 3) above You have the right to cancel this Policy from a date agreed by You and Us and the Policy Condition Cancellation 3) Return of premium applies

The above Condition does not affect Our rights at Common Law

### **Rights of Third Parties**

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

### **Assignment**

You shall not assign any of the rights or benefits under this Policy and or any Section of this Policy without Our prior written consent

We will not be bound to accept or be affected by any notice of trust charge lien or purported assignment or other dealing with or relating to this Policy and or any Section of this Policy

### **Several Liability**

Our liability is several and not joint and is limited solely to the extent of our individual proportions as shown in Identity of Insurers. We are not responsible for the subscription of any co-subscribing Insurers or any other Insurer or co-Insurer who for any reason does not satisfy all or part of its obligations.

# Policy Exclusions

## War and similar risks

Not applicable to Employers' Liability Section or Terrorism Section

We shall not provide indemnity under this Policy in respect of any

- 1) Damage to any Property whatsoever or any loss cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss
- 2) legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from any of the following regardless of any other cause or Event contributing concurrently or in any sequence to the Damage cost expense or liability
  - 2.1) war, invasion, act(s) of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of, or amounting to an uprising, military, or usurped power, or confiscation, or nationalisation, or requisition by, or under the order of any government or public or local authority
  - 2.2) any action taken in controlling preventing suppressing or in any way relating to 2.1) above

## Radioactive and Other Contamination

We shall not provide indemnity under this Policy in respect of any:

- 1) Damage to any Property whatsoever, or any loss, cost or expense whatsoever resulting, or arising therefrom or any consequential or inevitable loss
- 2) legal liability of whatsoever nature, directly or indirectly caused by, or contributed to by, or arising from
  - 2.1) ionising radiations or contamination by radioactivity, from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - 2.2) the radioactive, toxic, explosive or other hazardous, or contaminating properties of any nuclear installation reactor, or other nuclear assembly, or nuclear component thereof
  - 2.3) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
  - 2.4) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter, but the exclusion in this paragraph shall not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural medical,

scientific, or other similar peaceful purposes.

- 2.5) any chemical, biological, biochemical, or electromagnetic weapon provided that:
  - i) in respect of the Employers' Liability Subsection of the Liability Section or paragraphs 2.1) and 2.2) above shall only apply when You under a contract have
    - a) undertaken to indemnify another party
    - b) assumed liability which would not have attached in the absence of such contract
  - ii) paragraphs 2.3) 2.4) and 2.5) above shall not apply to the Liability Section

## Terrorism

Not applicable to Property Owner Subsection or Employers Liability Section or Terrorism Section

We shall not provide indemnity under this Policy in respect of any Damage to any Property whatsoever or any loss cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss directly or indirectly caused by or contributed to by or arising from

- 1) Terrorism occurring in England Wales and Scotland and the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987
- 2) any act including but not limited to the use of force or violence and or the threat thereof of any person or groups of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and or to put the public or any section of the public in fear occurring other than in England Wales and Scotland
 

Including any Damage cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to 1) or 2) above
- 3) any act of Terrorism regardless of any cause or event contributing concurrently or in any other sequence to such act of Terrorism

In any action suit or other proceedings where We allege that any Damage cost or expense is not covered the burden of proof that such Damage cost or expense is covered shall be upon You

In the event that any part of this Exclusion is found to be invalid or unenforceable the remainder will remain in full force and effect

## Date Recognition

Not applicable to Employers' Liability Section or Terrorism Section

We shall not provide indemnity under this Policy in respect of any

- 1) Damage to any Property whatsoever or any loss cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss
- 2) legal liability of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising from the failure of any
  - 2.1) computer data processing equipment or media Microchip integrated circuit or similar device or
  - 2.2) other equipment or System for processing storing or retrieving data or
  - 2.3) computer software whether Your Property or not to
    - i) recognise correctly any date as its true calendar date
    - ii) capture save retain or correctly manipulate interpret or process any data information command or instruction as a result of treating any date otherwise than as its true calendar date
    - iii) capture save retain or correctly process any data as a result of the operation of any programmed command which causes the loss of data or the inability to capture save retain or correctly process such data on or after any date

but indemnity shall apply under all Sections except the Employers' Liability Subsection of the Liability Section or in respect of subsequent Damage which itself results from Specified Perils 1) – 7) and or 9)– 13) and or 16) other than Theft or Attempted Theft by Employee but only where such Specified Perils are not stated to be otherwise excluded in the Schedule and Damage would otherwise be the subject of indemnity thereunder

## Electronic Risk

- 1) Notwithstanding any provision to the contrary within this policy or any Endorsement thereto, this policy excludes all loss, Damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:
  - a) loss of, alteration of, or Damage to or a reduction in the functionality, availability or operation of a Computer System, unless subject to the provisions of paragraph 2)
  - b) loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to

the value of such Data unless subject to the provisions of paragraph 3).

- 2) Notwithstanding paragraph 1) above, and subject to all terms, Conditions and Exclusions of this policy or any Endorsement thereto, this policy covers Damage to Property insured under this policy and any consequential loss directly resulting therefrom where such Damage is directly occasioned by any of the Listed Perils as described below.
- 3) Notwithstanding sub paragraph 1) b) above, in the event that hardware or the Data storage device of a Computer System insured under this policy sustains Damage caused by a Listed Peril, which results in Damage to or loss of Data stored on that hardware or the Data storage device, then the Damage to or loss of such Data shall be recoverable hereunder and the basis of valuation for the recovery of the damaged or lost Data shall only be the costs of reproducing Data if such costs are indemnified under this policy. Such costs shall include all reasonable and necessary expenses incurred in recreating, gathering or assembling such Data, but does not include the value of the Data to You or any other party even if such Data cannot be recreated, gathered or assembled.

For the purposes of this Exclusion 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.

**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.

**Listed Peril** means fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

## Sanction Limitation and Exclusion

Pen Underwriting Limited (Pen) is committed to complying with financial and trade sanctions legislation and export controls, anti-money laundering and anti-boycott laws applicable to our business (collectively, Sanctions).

Pen is unable to provide underwriting, claims handling, risk consulting or other services or provide any benefit to the extent that the provision of such services or benefit would violate applicable law or expose Pen or its affiliates to any sanction, prohibition or restriction under sanctions laws or regulations. In addition, we are generally restricted from providing broking, claims handling or other services that relate to Cuba and Iran - including because of significant difficulties in processing payments and other commercial and reputational considerations.

No insurers shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, law, or regulations of the European Union, United Kingdom or the United States of America.

Any Insurance Intermediary or broker who undertakes any insurance intermediation activity in relation to this policy are required to similarly comply with laws applicable to us in respect of any services provided to PEN or on PEN's behalf.

To comply with Sanctions, Pen may be required to take actions such as freezing the funds of parties subject to Sanctions and making licence applications or notifications to relevant regulators. Other third parties Pen deals with, such as financial institutions, may also apply their own policies or restrictions to comply with Sanctions and Pen will not be liable for this or for similar steps taken by third parties.

### Northern Ireland

Not applicable to Property Owner Subsection or Employers Liability Section

We shall not provide indemnity under this Policy in respect of destruction or Damage or consequential or inevitable loss for such Damage in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of civil commotion

### Communicable Disease Exclusion

Not applicable to Employers Liability Section, Public Liability Section and Products Liability Section if insured by this policy

- 1) Notwithstanding any provision to the contrary in this insurance, this insurance excludes coverage for any loss, Damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with:

- a) a Communicable Disease; or
- b) the fear or threat (whether actual or perceived) of a Communicable Disease

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

The above exclusion includes, without limitation to the scope of the foregoing:

1. any cost to clean up, detoxify, remove, monitor or test:
  - a) for a Communicable Disease; or
  - b) any Property insured hereunder that is affected by such Communicable Disease,

and

2. any measures taken by any governmental, public or other authority or any other person for the prevention, suppression, mitigation, cleaning or removal of any Communicable Disease.
- 2) However, paragraph 1) shall not apply to physical loss or destruction of, or Damage to, Property and any resulting consequential loss, to the extent that You establish that such physical loss, destruction or Damage was directly caused by:
    - a) Terrorism (as defined in this policy), or
    - b) a Listed Peril as described below
 where specifically insured by this insurance.

All other terms, Conditions and Exclusions of the insurance remain the same.

For the purposes of this Exclusion the following Definitions apply:

**Communicable Disease** means any type of disease or illness which can be transmitted by means of any substance or agent from any organism to another organism where:

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

**Listed Peril** means one of the following perils if specifically insured by this insurance:

Fire (howsoever caused); lightning; explosion; aircraft and aerial devices dropped from them; riot; civil commotion; strikers; damage caused by malicious persons; windstorm; rainstorm; hail; tornado; cyclone; typhoon; hurricane; earthquake; subterranean Fire, flood (howsoever caused); freeze; ice storm; weight of snow or ice; avalanche; meteorite or asteroid impact; landslide; mudslide; escape of water, oil or hydraulic fluid from any tank, apparatus or pipe; sprinkler leakage; impact by any road vehicle or animal; theft or attempted theft; mechanical or electrical breakdown; subsidence; heave; implosion; or collapse.



# The Building(s)

## Section Definitions

These definitions apply to this Section wherever these words or phrases appear with an upper case letter except where otherwise stated

### Landlords Contents

means fixtures and fittings not forming a permanent part of the Building(s), furniture, furnishings, utensils and domestic appliances belonging to You or for which You are responsible for as landlord, excluding;

- 1) stock and materials in trade
- 2) bills of exchange, promissory notes, money, securities, stamps, deeds, bonds or documents of any description
- 3) business books, plans, specifications, designs and computer records;
- 4) jewellery, watches, furs, precious metals, precious stones or articles made from them;
- 5) curios, works of art, antiques, sculptures or rare books where the value of any one article excess £5,000 or
- 6) Property more specifically insured.

all being Your Property for which You are responsible and situate at the Premises.

### Contents of Common Parts

means Landlords Contents in the common parts of the Buildings to which all tenants have access.

### Floor Coverings

means materials used to cover entire floors within rooms and other internal areas of the Premises.

### Stipulations

means European Union Legislation or building regulations or public authority or other statutory requirements

## Section Cover

Damage to Buildings, occurring during the Period of Insurance, caused by a Specified Peril described in this Section and not stated to be otherwise excluded in the Schedule.

Damage to the Landlords Contents, Contents of Common Parts and Floor Coverings at the Premises, occurring during the Period of Insurance, caused by a Specified Peril described in this Section and not stated to be otherwise excluded in the Schedule

### Limit of Liability

Our liability under this Section shall not exceed the Sum Insured by each item stated in the Schedule in respect of any one Period of Insurance or any limit stated in any Extension and/or Endorsement to this Section;

## Specified Perils

- 1) **Fire** but excluding Damage caused by
  - 1.1) Specified Perils 3) Explosion resulting from fire
  - 1.2) its own spontaneous fermentation or heating
  - 1.3) its undergoing any heating process or any process involving the application of heat
  - 1.4) Specified Peril 7) Earthquake
  - 1.5) Specified Peril 8) Subterranean Fire
  - 1.6) Specified Peril 2) Lightning
- 2) **Lightning**
- 3) **Explosion** of boilers or of gas, used for domestic purposes only; excluding Damage:
  - 3.1) caused by or consisting of the bursting of a boiler, economiser or other vessel, machine or apparatus in which internal pressure is due to steam only, belonging to You or under Your control
  - 3.2) in respect of and originating in any vessel, machinery or apparatus or its contents, belonging to You or under Your control, which requires to be examined to comply with any statutory regulations, unless such vessel, machinery or apparatus shall be the subject of a certificate or other contract providing the required inspection service
- 4) **Aircraft** or other aerial devices or articles dropped therefrom
- 5) **Riot Civil Commotion Strikers Locked-out Workers** or persons taking part in labour disturbances or Malicious Persons acting on behalf of or in connection with any political organisation; excluding Damage
  - 5.1) arising from cessation of work or from confiscation or destruction or requisition by order of the Government or any public authority
  - 5.2) by Specified Peril 1) Fire caused by strikers, locked- out workers or persons taking part in labour disturbances or Specified Peril 6) Malicious Persons
- 6) **Malicious Persons** not acting on behalf of or in connection with any political organisation; excluding Damage
  - 6.1) by Specified Peril 16) Theft or Attempted Theft
  - 6.2) in respect of any Unoccupied Building

- 7) **Earthquake**
- 8) **Subterranean Fire**
- 9) **Storm** excluding Damage;
- 9.1) by Specified Peril 2) Lightning
- 9.2) by Specified Peril 10) Flood
- 9.3) by frost or Specified Peril 15) Subsidence Ground Heave or Landslip or Damage attributed solely to change in the water table level;
- 9.4) to fences gates and moveable Property in the open unless caused by falling trees or other items, unless there is Damage to the Buildings by the same Event;
- 9.5) Damage to trees, plants shrubs and turf, unless there is Damage to the Buildings by the same Event;
- 9.6) Damage to open sided or fronted Buildings or to the Property contained therein
- 10) **Flood** excluding Damage:
- 10.1) caused by Specified Peril 9) Storm
- 10.2) caused by Specified Peril 11) Escape of Water
- 10.3) Damage to fences gates and moveable Property in the open, unless caused by falling trees or other items, unless there is Damage to the Buildings by the same Event
- 10.4) Damage to trees, plants shrubs and turf unless there is Damage to the Buildings by the same Event;
- 10.5) Damage to open sided or fronted Buildings or to the Property contained therein.
- 11) **Escape of Water** from any tank apparatus or pipe excluding Damage
- 11.1) in respect of any Unoccupied Buildings
- 11.2) by water discharged or leaking from any automatic sprinkler installation
- 12) **Impact** by
- 12.1) any mechanically propelled vehicle or any item falling therefrom or any animal
- 13) **Accidental Escape of Water** from any automatic sprinkler installation in the Premises not caused by
- 13.1) freezing whilst the Buildings belonging to You or for which You are responsible are Unoccupied
- 13.2) Specified Peril 3) Explosion 7) Earthquake 8) Subterranean Fire or heat caused by Specified Peril 1) Fire
- 12.3) repairs alterations or extensions to the structure and or sprinkler installations
- 14) **Accidental Physical Damage** excluding
- 14.1) Damage arising from
- a) Specified Peril 1) – 13) and or 15) – 17) as detailed in this Section and causes excluded therefrom whether these Specified Perils are insured or not
- b) inherent vice latent defect gradual deterioration gradually operating cause wear and tear faulty or defective design or materials
- but this shall not exclude subsequent Damage which itself arises from a cause not otherwise excluded
- 14.2) Damage arising from:
- a) faulty or defective workmanship operational error or omission on Your part or any Employee of Yours
- b) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
- c) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or
- d) any range of steam and feed piping in connection therewith
- e) mechanical or electrical breakdown derangement or overloading in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates
- but this shall not exclude Damage which itself arises from other Damage and is not otherwise excluded; or
- subsequent Damage which itself arises from a cause not otherwise excluded
- 14.3) Damage arising from:
- a) Pollution or Contamination unless arising from a sudden identifiable, unintended and unexpected cause which;
- i) occurs in its entirety at a specific moment in time and place during any one Period of Insurance; and
- ii) is not otherwise excluded; or
- b) disappearance or unexplained loss

14.4) Damage to:

- a) any Building or structure arising from its own collapse or cracking
- b) any property or structure in the course of construction or erection or undergoing structural alteration or structural repair or demolition.

15) **Subsidence Ground Heave or Landslip** excluding Damage

15.1) arising from the settlement or movement of made- up ground or by coastal or river erosion

15.2) occurring as a result of the construction demolition alteration or structural repair of any Property at the Premises

15.3) arising from the settling shrinkage or expansion of foundations walls floors ceilings or roof settlement or bedding down of new structures or extensions subsidence groundheave or landslip

15.4) occurring prior to the inception date of the insurance under this Section

15.5) caused by subsidence ground heave of any part of the site on which the Buildings stand or landslip resulting from groundworks or excavation at the Premises

15.6) caused by subsidence ground heave of any part of the site on which the Buildings insured stand or landslip to the yards car parks roads pavements walls gates and fences unless the

Buildings insured under this Section are affected at the same time

16) **Theft or Attempted Theft** excluding Damage which You are able to recover from another source

17) **Escape of Fuel Oil** from any fixed heating installation tank apparatus or pipe excluding Damage in respect of any Unoccupied Building

## Section Extensions

The terms Conditions and Exclusions of this Policy and or Section apply to these Extensions and where no limit or maximum liability is stated in the Extensions the Section Limit of Liability applies

### Adjacent Property

If a Building which is not Your responsibility, but adjacent to any Buildings insured under this Policy, suffers Damage by any Specified Peril and is not repaired or reinstated because there is no valid insurance in force for any reason, We will pay the cost or additional cost of rebuilding or restoring or making safe Your Building to comply with any Stipulations or to restore the structural waterproofing or weatherproofing integrity of the Building.

If any such Buildings insured under this Policy were offered for sale on the open market prior to the Damage and which are subsequently sold, We will instead pay any reduction

in the sale price due solely as a result of such Damage. The amount payable shall be substantiated by a practicing member of the Royal Institution of Chartered Surveyors approved by both You and Us and shall not exceed the cost of restoration or making good as described above

The cover provided under Rent Receivable Section also extends to include losses arising in consequence of such uninsured Damage

Our maximum liability shall not exceed £150,000 at any one Premises, in the aggregate under Buildings and Rent Receivable Section

### Additional Metered Supply Charges

This Extension provides insurance for additional metered charges, incurred by You or for which You are responsible, as a result of Damage at the Premises

Our maximum liability shall not exceed £25,000 in respect of any Event of Damage, but excludes all and any claims where following discovery no remedial action is taken within 7 days of the Event of Damage

### Annexes

The Buildings or other Property owned by You or for which You are responsible include

- 1) annexes conveniences external hoists gangways and staircases
- 2) extensions communicating with any of the Buildings
- 3) sub-stations insured under the respective Buildings or other Property items to which such Property is attached or belongs

### Automatic Reinstatement

In the absence of written notice from Us or You to the contrary, the Sum Insured by this Section will not be reduced by the amount of agreed claim settlement and in return You undertake to pay an additional premium on the amount of the agreed claim settlement from the date thereof.

### Automatic Cover - Newly Acquired/Newly Completed Redeveloped or Refurbished Properties

This Extension provides cover:

- 1) from the date of exchange of contracts for premises newly acquired by You; or
- 2) from the date of practical completion for Premises previously insured under a construction policy within the Territorial Limits provided that Your interest is not otherwise insured anywhere in the Territorial Limits

provided that:

- 1) as soon as reasonably practicable You shall notify Us in writing of each Premises and arrange specific cover with Us
- 2) the cover under this Extension shall operate for a maximum period of 30 days from the date set out in 1) or 2) above, as applicable
- 3) this insurance shall not apply in respect of any cause or cover otherwise excluded from these Sections of the policy
- 4) Our liability for all losses or series of losses arising directly from the same originating cause for the Buildings Section and Rent Receivable Section shall not exceed £2,000,000 any one Premises
- 5) in respect of any Premises purchased for refurbishment or redevelopment, Indemnity Basis as set out in basis of settlement shall apply in respect of Buildings and in respect of any Premises purchased and due for demolition the basis of settlement shall be the additional costs associated with clearing and securing the Buildings

the cover provided under this Extension shall be subject to the terms, Conditions and Exclusions of the policy.

#### **Buildings Awaiting Letting at Commencement of the Period of Insurance**

If at the time of Damage any Buildings referred to in this Schedule have been newly leased since commencement of the Period of Insurance, but no Sum Insured on Loss of Rent has been allocated to the new tenancy, this insurance will extend to include such Rent Receivable for a total sum not exceeding £250,000 per annum, for a Maximum Indemnity Period of 24 months for all losses or series of losses arising directly from the same originating cause.

#### **Inadvertent Omission to Insure**

This Extension provides cover to include any Premises in the United Kingdom which You own or which You are responsible to insure;

- 1) which You have inadvertently failed to insure under this policy or any other policy; or
- 2) which You have inadvertently failed to insure against all the Specified Perils under the Buildings Section of this policy but the cover under this Extension in respect of Premises under 2) is restricted to loss

caused by the Perils which You have failed to insured against

Provided that:

- 1) immediately upon becoming aware of :
  - 1.1) any Premises not insured under 1) above, You shall arrange insurance with Us, with effect from inception of this Policy or any policy this Policy has replaced, or the date upon which the insurance should have been arranged whichever is the later; or

- 1.2) any Premises not insured for all the Specified Perils by this Policy under 2) above you shall arrange insurance for all the uninsured Specified Perils with effect from inception of this Policy or any policy this Policy has replaced or the date upon which the insurance should have been arranged whichever is the later;
- 1.3) this Extension shall not apply to any Premises covered under Newly Acquired/ Newly Completed Redeveloped or Refurbished Properties Extension
- 1.4) Our liability for all losses or series of losses arising directly from the same originating cause for Buildings Section and Rent Receivable Section shall not exceed £2,000,000 any one Premises
- 1.5) in respect of any Premises purchased for refurbishment or redevelopment cover is limited to Indemnity Basis (as set out in basis of settlement) and in respect of any Premises purchased and due for demolition the basis of settlement shall be the additional costs associated with cleaning and securing the Buildings

the cover under this Extension shall be subject to all the terms Conditions and Exclusions of the Policy

#### **Third Party Failure to Insure**

This Extension will extend the cover provided by the Buildings Section of this Policy to include any Premises within the Territorial Limits owned or leased by You which by virtue of lease requirements are required to be insured by another party and where the party has:

- 1) failed to insure against all the Specified Perils insured by this Policy; or
- 2) failed to insured for a sufficient amount to provide for reinstatement
- 3) invalidated the Policy or the claim.

Provided that:

- 1) immediately on becoming aware of :
  - 1.1) any Premises not insured for all the Specified Perils insured by this Policy You shall arrange insurance for all uninsured Specified Perils.
  - 1.2) any Premises not insured for a sufficient amount to provide for reinstatement of the Buildings and or loss of Rent Receivable as specified in the lease You shall arrange insurance for reinstatement of the Buildings and or loss of Rent Receivable as specified; and
  - 1.3) any facts or circumstances that might invalidate the Policy or a claim You shall notify Us accordingly
- 2) this Extension shall not apply to any Premise covered under the Automatic Cover or Inadvertent Omission



to Insure clause and in respect of Premises under a) above shall apply only for the Specified Perils not insured by the third party's policy

- 3) Our liability for all losses or series of losses arising directly from the same origination cause under the Buildings Section and Rent Receivable Section shall not exceed £2,000,000 any one Premises, but in no case shall Our liability exceed:
  - 3.1) the difference between the amount payable under any insurance effected by third party or any other insurance on the Premises and the total cost of reinstatement and loss of Rent Receivable as provided by this Policy; or
  - 3.2) the value of Your interest in the Premises whichever is the lesser;
- 4) there shall be in force at the time of Damage a valid and enforceable lease requiring the Property to be insured against some or all of the Specified Perils insured hereby
- 5) You have procedures in place to ensure that the third party effects and maintains adequate insurance and wherever possible Your interest is noted and protected by a non-invalidation clause and lapse/cancellation notification undertaking; and
- 6) the insurance provided under this Extension shall be subject to all the terms Conditions and Exclusions of the Policy with the exception of paragraphs 1 and 2 of Claims Condition (Subrogation)

### Contract Works

This Extension provides insurance for contract works, where You have contracted to arrange insurance for any Buildings and will only apply where no other contract works insurance Policy exists to provide an indemnity.

Our maximum liability shall not exceed £150,000 in respect of any Event of Damage and We shall not be liable for the first £1,000 of each and every loss

### Contractors Interest

Where You are required to effect insurance on the insured Property in the joint names of Yourself and the contractor under the terms of a contract condition, then the interest of the contractor in the insured Property is noted as joint Insured, provided that You advise Us of details of any single contract valued at £150,000 or more in advance of the commencement of the work and agree to pay any additional premium We may require

### Debris Removal and Associated Costs

This Extension provides cover for costs and expenses necessarily incurred by You, with Our consent for:

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

the portion or portions of the Property insured by the items stated in the Schedule following Damage

Our maximum liability shall not exceed the Sum Insured stated in the Schedule

This Extension does not provide cover for costs and expenses:

- 1) incurred in removing debris except from the Premises where Damage occurred and the area immediately adjacent thereto
- 2) arising from Pollution or Contamination of Property not insured by this Section

### Diminution in Value

If any Building in the vicinity of any Building insured under this Policy, which You are not responsible for, suffers Damage by any of the Specified Perils and the Buildings insured were offered for sale on the open market prior to Damage occurring are subsequently sold at a reduced price, We will pay any reduction in the sale price due solely as a result of such Damage. The amount payable by Us shall be substantiated by surveyors approved by both You and Us.

Our maximum liability shall not exceed £100,000 for all losses or series of losses arising directly from the same originating cause.

### Drain Clearance

This Extension provides insurance for costs and expenses necessarily incurred in clearing drains, sewers and gutters on Your Premises, where You are responsible and liable following Damage

### European Union & Public Authorities

This Extension provides insurance for additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with

- 1) European Union legislation
- 2) Building or other regulations under or framed in pursuance of any Act of Parliament or by laws of any public authority which are hereinafter referred to as "the regulations"

in respect of the destroyed or Damaged Property thereby insured.

This Extension does not apply to

- 1) the cost incurred in complying with the regulations
  - 1.1) in respect of Damage occurring prior to the granting of this Section Extension
  - 1.2) in respect of Damage not insured by this Section
  - 1.3) where notice has been served upon You prior to the Damage occurring

- 1.4) for which there is an existing requirement which has to be implemented within a given period
- 1.5) in respect of undamaged Property or undamaged portions of Property of that portion of the Property destroyed or damaged
- 2) the additional cost that would have been required to make good the Property destroyed or damaged to a condition equal to its condition when new, had the necessity to comply with the regulations not arisen
- 3) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property, or by the owner thereof by reason of compliance with the regulations.

provided that:

- 1) the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the Damage or within such further time as We may allow within the said 12 months and may be carried out upon another site if the regulations so necessitate subject to Our liability under this Extension not being thereby increased
- 2) if Our liability under any item of this Section apart from this Extension shall be reduced by the application of any of the terms Conditions and Exclusions of this Section then Our liability under this Extension in respect of any such item shall be reduced in like proportion
- 3) the total amount recoverable under any item of this Section and Extension shall not exceed
  - 3.1) in respect of European Union legislation
    - i) 15 per cent of the Sum Insured
    - ii) where the Sum Insured by the Item applies to Property at more than one Premises 15 per cent of the total amount for which We would have been liable had the insured Property by the item at the Premises where Damage had occurred been totally destroyed
  - 3.2) in respect of building or other regulations under or framed in pursuance of any Act of Parliament and or bye-laws of any public authority the Sum Insured

### Extinguishment and Alarm Resetting Expenses

This Extension provides cover for costs necessarily and reasonably incurred by You in refilling fire extinguishing appliances replacing used sprinkler heads resetting fire and or intruder alarms as a result of Damage to the Property insured

Our maximum liability shall not exceed £10,000 in respect of any Event of Damage

### Fire Extinguishment Expenses

This Extension includes where not otherwise recoverable, extinguishment expenses reasonably incurred by You, in order to minimise Damage

Our maximum liability shall not exceed £25,000 in respect of any Event of Damage

### Accidental Breakage of or Damage to Fixed Glass or Fixed Sanitary ware

This Extension provides cover for Damage for which You are responsible, including all fixed plain sheet and/or plain plate glass in windows, doors, fanlights, skylights, partitions, furniture, displays show cases, counters shelves, neon and or illuminated signs, electric light fittings and fixed sanitary ware

Following Damage, We will include costs necessarily and reasonably incurred for

- 1) damage to any lettering embossing, beading, silvering, or ornamental work up to a maximum limit of £1,000 for any one Event
- 2) boarding up repair and/or replacement of window frames, framework, security fittings and/or alarm foil up to a maximum limit of £1,000 for any one Event
- 3) damage to goods displayed, up to a maximum limit of £1,000 for any one Event provided such Damage was not a direct result of Specified Peril 16) Theft or Attempted Theft

This Extension does not include cover for Damage caused by or arising from:

- 1) repairs alterations or other fitting to the Premises
- 2) defects in frames and framework
- 3) any Unoccupied Building
- 4) faulty or defective workmanship on Your part or any of Your Employees
- 5) wear tear gradual deterioration mechanical or electrical breakdown of neon and illuminated signs and electric light fittings

### Garden Squares

This Extension provides cover for the costs of restoration of shrubs, plants, turf, ponds lakes, fountains, landscaping, garden furniture, ornaments, statues and gardening equipment forming part of any garden square owned by You and not more specifically insured elsewhere.

Our maximum liability shall not exceed £10,000 in the aggregate in any one Period of Insurance

### Index Linking

The sum insured specified in the Schedule will be adjusted at monthly intervals in accordance with fluctuations in suitable indices of cost. This adjustment will continue after

any Damage if the repairs or reinstatement are done without delay. We will not charge any extra premium during the Period of Insurance but at the end of the period We will calculate the renewal premium based on the revised sum insured.

### Landscaping and Garden Restoration

This Extension provides cover for the costs of restoration of gardens and ornamental features caused by the fire brigade or other emergency services attending the Premises following Damage to the Property insured

Our maximum liability shall not exceed £25,000 in respect of any Event of Damage

### Land Not Otherwise Insured

This Extension provides cover for Damage by any of the Specified Perils, to Land (meaning land not more specifically insured) for which You are responsible.

We will pay the costs incurred in restoring the Land to a condition and appearance substantially the same as its condition and appearance immediately before the Damage or, if You elect not to restore the Land, We will pay the loss of market value being the reduction in the market value of the Land immediately following Damage solely as a result of the Damage but not exceeding the amount which would have been payable had the Land been restored.

Our maximum liability shall not exceed £250,000 for all losses or series of losses arising from the same originating Event.

### Loss or Duplication of Keys

This Extension provides cover for reasonable cost of replacement locks and keys, in respect of doors and windows for which You are responsible and which are necessary to maintain the security of the Property:

- 1) following the accidental loss of Keys; or
- 2) where there is reasonable evidence that such Keys have been copied by an unauthorised persons

Our maximum liability shall not exceed £15,000 any one claim.

For the purposes of this Extension the definition of Keys is:

Any device used to open a lock, including but not restricted to any electronic device, key card or remote control transmitter.

### Loss Minimisation and Prevention Expenditure

This Extension provides cover for costs and expenses necessarily incurred by You with Our consent in:

- 1) preventing or reducing imminent Damage which would have been insured under this Section
- 2) reducing mitigating or otherwise alleviating Damage insured under this Section during and after the occurrence of such Damage provided that

- 2.1) the impending Damage was not reasonably foreseeable earlier and would not be the natural outcome if such costs and expenses were not incurred
- 2.2) the impending Damage did not arise from any defect in the Property insured
- 2.3) the Damage is not more specifically insured under this or any other policy bond indemnity security or other legally binding contract

Our liability under shall not exceed £25,000 in respect of any one claim

### Non-invalidity

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

### Other Interests

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

### Professional Fees

This Extension provides cover in respect of each Building item for architects, surveyors, legal and/or consulting engineers fees incurred with Our consent, in the reinstatement and/or repair of Property insured, subsequent to insured Damage; but We do not include any fees which are incurred as managing agents fees or as general administration duties or fees for the preparation or presentation of any claim

Our maximum liability shall not exceed the Sum Insured of any one Building item during any one Period of Insurance

### Reinstatement to Match

Where Buildings have suffered Damage, You may replace, repair or restore the Property with equivalent Property which employs current technology and replacement, repair or restoration of such Property shall not for the purpose of this Policy be regarded as being better or more extensive than when new. This Policy further extends to include the replacement or modification of undamaged property insofar as it is necessary to adapt it to operative in conjunction with Property which has been replaced, repaired or restored, provided that Our total liability is not increased beyond the amount that would otherwise have been payable for replacement, repair or restoration of the Property destroyed or damaged in its original form

### Replacement Locks

If Specified Peril 14) Accidental Physical Damage is operative this Section extends to include any of the keys of the

Premises being stolen from You or any partner Director or Employee of Yours and if not recovered within 7 days We will pay for the replacement of the locks at the Premises to a standard equal to but not better than their original standard provided that We are notified of the Event within 7 days of it occurring

Our maximum liability is up to £15,000 during any one Period of Insurance

### Seventy Two Hour Clause

In the Event of

- 1) Specified Perils 7) Earthquake or a series of earthquakes or
- 2) Specified Perils 9) Storm or a series of storms or
- 3) Specified Perils 10) Flood or a series of floods occurring within a 72-hour consecutive period they will be regarded as one Event provided that:
  - 3.1) no one individual Earthquake Storm or Flood which occurs outside a 72-hour consecutive period will be accepted in that one Event
  - 3.2) You select the time when the 72-hour consecutive period commences
  - 3.3) the 72-hour consecutive period will not operate beyond either expiry of the Period of Insurance or the Policy Condition Cancellation agreed date

### Sprinkler Upgrade Costs

This Extension includes additional costs of reinstatement incurred with Our consent to upgrade a sprinkler installation to comply with the current edition of the Sprinkler Rules of the Loss Prevention Council; provided that the additional costs incurred are solely as a direct result of insured Damage

Our maximum liability shall not exceed £25,000 during any one Period of Insurance

### Subrogation Waiver

We agree to waive any rights, remedies and/or relief to which We may become entitled against any subsidiary or parent company of Yours, or any fellow subsidiary where You are also a subsidiary, as defined by current legislation

### Temporary Removal – General

This Extension provides cover for Damage to any parts of the Building temporarily removed from the Premises for cleaning, renovation or repair elsewhere and in Transit within the Territorial Limits.

Our maximum liability under this Extension shall not exceed 10 per cent of the Sum Insured of any one Building as stated in the Schedule

This Extension does not include Property that is otherwise insured

### Temporary Removal – Contents of Common Parts

This Extension provides cover for contents of Common Parts whilst temporarily removed from or in transit to or from the Premises for cleaning renovation, repair or similar purpose but remaining in the Territorial Limits; excluding

- 1) any item exceeding £25,000; or
- 2) property otherwise insured

### Trace and Access

This Extension provides cover for costs necessarily and reasonably incurred with Our consent, in locating the source of any escape of water from any fixed water services, heating installation and/or escape of fuel oil, including subsequent repair to walls floors or ceilings provided that:

- 1) this Section Extension shall not apply to the cost of repairs to any fixed domestic water services or heating installation
- 2) accidental damage to cables, underground pipes and drains serving the Premises

Our maximum liability shall not exceed £25,000 in respect of any Event of Damage

### Transfer of Interest

If at the time of Damage You have contracted to sell Your interest in any insured Buildings and the purchase was incomplete but subsequently completes, the purchaser on completion of the purchase and where no other insurance Policy exists to provide an indemnity to the purchaser against the Event of Damage, You will be entitled to the benefit of this Section so far as the insurance relates to such Damage without prejudice to Your or Our rights and liabilities under this Section up to the date of completion

### Workmen

Workmen are allowed in or about any of the Premises for the purpose of carrying out minor alterations repairs, decorations and/or any maintenance without prejudice to this insurance

### Mortgage

The act or neglect of any mortgagor, leaseholder, lessee or occupier of any Building insured under this Policy, whereby the risk is increased without the authority or knowledge of any mortgagee, free holder or lessor will not prejudice the interest of the latter parties in this insurance, provided they notify Us immediately on becoming aware of such increased risk and pay an additional premium if required.

### Unauthorised Use of Electricity Gas or Water

This Extension provides cover for the cost of metered electricity gas or water for which You are legally responsible, arising from its unauthorised use by persons taking possession or occupying Your Premises without Your consent, provided that You take all practical steps to terminate such unauthorised use immediately You become aware of it.



Our maximum liability shall not exceed £25,000 for any one claim.

### **Alternative Accommodation**

This Extension provides cover for costs reasonable and necessarily incurred with Our consent in respect of alternative accommodation, whilst the Building is uninhabitable following damage resulting from an insured Specified Peril.

The maximum period during which payment will be made under this Extension will not exceed 24 months from the date of Damage and Our liability will not exceed 20% of the Sum Insured on the Building that has been Damaged.

### **Fly Tipping**

This Extension provides cover for costs reasonably and necessarily incurred with Our consent, in respect of the clearing and removing any property illegally deposited in or around the Premises.

Our maximum liability shall not exceed £5,000 any one claim.

### **Frustrated Legal Costs**

If the sale of any Buildings insured under this Policy is aborted solely in consequence of Damage by any Specified Peril, this Policy extends to include the loss sustained by You in respect of legal costs and expenses incurred or subsequently incurred solely as a consequence of the cancellation of the sale, as a result of Damage.

Our maximum liability shall not exceed £10,000 in the aggregate in any one Period of Insurance

### **Removal of Nests**

This Extension provides cover for costs reasonably and necessarily incurred with Our consent, in respect of removing bees, wasps and hornets nests from the Premises.

Our maximum liability shall not exceed £1,000 any one claim.

### **Removal of Vermin**

This Extension provides cover for costs reasonably and necessarily incurred by You with Our consent, where You are required by a local authority or similar body to have vermin removed from a Building insured by this policy

Our maximum liability shall not exceed £1,000 any one claim

### **Removal of Tenants Debris**

This Extension provides cover for the costs reasonably and necessarily incurred by You following Damage, in respect of the removal of tenant debris subject to such costs being agreed with Our consent and not otherwise recoverable by You.

Our maximum liability shall not exceed £25,000 for any one claim.

### **Preservation of Undamaged Property**

This Extension provides cover for the costs reasonably and necessarily incurred by You with Our consent, in dismantling and/or removing undamaged portions of any property insured within or to and from alternative Premises for safekeeping

### **Section Conditions**

#### **Alteration and Additions to the Premises including Partial Refurbishments and Fit-outs**

In the event that alterations or additions to the Premises are effected during the Period of Insurance and are not more specifically insured, the following increases in cover shall apply from practical completion of the work until the expiry of the Period of Insurance immediately following such completion

The Declared Value and Sum Insured shall each be increased by such percentage as represents the value of the alterations or additions not exceeding either 10% of the Declared Value of Sum Insured as applicable or £1,000,000 whichever is the lesser

#### **Contracting Purchasers Interest**

If at the time of any Damage You shall have exchanged contracts (or missives concluded) to sell Your interest in any Buildings insured the purchaser shall with Your written consent be included as a co-insured in the Schedule of the Policy from the date of exchange (or conclusion of missives) and shall be entitled to benefit of indemnity under the Buildings Section and Rent Receivable Section of this Policy in respect of Damage. This Condition shall only apply if the purchase is subsequently completed and if the Buildings are not otherwise insured at the time of the loss by the purchaser or on their behalf

#### **Buildings awaiting Demolition**

If at the time of the Damage, any Buildings are awaiting demolition, Our liability shall be limited to the additional cost of removing debris as detailed in the Debris Removal and Associated Costs Extension that is incurred by You solely as a result of such Damage.

#### **Designation of Property**

We agree for the purpose of determining an item heading for any Buildings insured, to accept the designation of such Property stated in Your accounts. All items for which You are responsible for, under the terms of the lease between You and the lessee are also accepted.

#### **Basis of Claims Settlement**

means either R or I below depending on which is shown in the Schedule

R: Reinstatement – the amount payable in respect of insured Property will be the cost of the reinstatement of the Damage and for this purpose ‘reinstatement’ means

- 1) the rebuilding or replacement of Property Damaged, which provided Our liability is not increased may be carried out

- 1.1) in any manner suitable to Your requirements
  - 1.2) upon another site
  - 2) the repair or restoration of Property Damage in either case, to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new provided that:
    - 2.1) Our liability for the repair or restoration of Property Damaged in part only, shall not exceed the amount which would have been payable had such Property been wholly lost
    - 2.2) each item insured is subject to this basis of claims settlement, is declared to be separately subject to the following Condition of Average (underinsurance)
- If at the time of reinstatement the sum representing 85 per cent of the cost which would have been incurred in reinstating the whole of the Property covered by any item subject to this Basis of Claims Settlement exceeds its Sum Insured at the commencement of any Damage Our liability shall not exceed that proportion of the amount of the Damage which the said Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time
- 3) no payment beyond the amount which would have been payable in the absence of this basis of claims settlement shall be made
    - 3.1) unless reinstatement commences and proceeds without unreasonable delay
    - 3.2) until the cost of reinstatement shall have been actually incurred
  - 4) all the terms Conditions and Exclusions of this Policy or Section shall apply
    - 4.1) in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as they are varied hereby
    - 4.2) where claims are payable as if this Basis of Claims Settlement had not been incorporated including any Condition of Average (underinsurance)
  - 5) You will at Your own expense provide all such plans documents books and information as may be reasonably required
  - 6) We shall not be bound to reinstate exactly but only as circumstances permit

or

I: Indemnity – the amount payable in respect of insured Property will be the value at the time of Damage or at Our option the cost of reinstatement or replacement of such Property or any part of it provided that each item subject to this Basis of Claims Settlement is declared to be

separately subject to the following Condition of Average (underinsurance)

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

Note: If Section Condition Day One Average is shown to apply in the Schedule then both R and I are deleted

### Day One Average

If Day One Average is shown to apply in the Schedule then subject to the Special Conditions below, the basis upon which the amount payable in respect of the Declared Value for Property insured is to be calculated shall be the reinstatement of the Property damaged; and for this purpose 'reinstatement' means

- 1) the rebuilding or replacement of Property damaged which provided Our liability is not increased may be carried out:
  - 1.1) in any manner suitable to Your requirements
  - 1.2) upon another site
- 2) the repair or restoration of Property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

You have stated in writing the Declared Value for each item stated in the Schedule to which this Condition applies and the premium has been calculated accordingly.

Declared Value means Your assessment of the cost of reinstatement of the insured Property arrived at in accordance with paragraph 1) shown above, at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently), together with and insofar as the insurance by the item provides due allowance for

- 1) the additional cost of reinstatement to comply with public authority requirements
- 2) professional fees
- 3) debris removal costs

### Special Conditions

- 1) at the inception of each Period of Insurance You will notify Us of the Declared Value of the insured Property for each of the said items. In the absence of declaration from You We will assume the last amount declared by You should be taken as the Declared Value for the ensuing Period of Insurance
- 2) if at the time of Damage the Declared Value of the Property stated by each item be less than the cost of reinstatement as defined in paragraph 2) shown above at the inception of the Period of Insurance

then Our liability for any Damage will not exceed that proportion thereof which the Declared Value bears to such cost of reinstatement

- 3) Our liability for the repair or restoration of Property damaged in part only will not exceed the amount which would have been payable had such Property been wholly destroyed
- 4) no payment beyond the amount which would have been payable in the absence of this Condition will be made
  - 4.1) unless reinstatement commences and proceeds without unreasonable delay
  - 4.2) until the cost of reinstatement shall have been actually incurred
  - 4.3) if the insured Property at the time of its destruction or Damage is insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement
- 5) all the terms Conditions and Exclusions of this Policy and or Section apply in respect of any claim payable under the provisions of this Condition except insofar as they are varied hereby
- 6) where by reason of any of the above Special Conditions no payment is to be made beyond the amount which would have been payable under this Section if this Condition had not been incorporated therein, or:
  - 6.1) You elect not to rebuild the insured Property in a condition equal to but not better or more extensive than its condition when new then the provisions of this Condition are cancelled and Our rights and liabilities and Yours in respect of the Damage will be subject to the terms Conditions and Exclusions of this Policy and or Section including the following Condition of Average
- 4) Damage in respect of electrical appliances or installations caused by self-ignition, short circuiting, overrunning or excessive pressure
- 5) Damage attributed solely to change in the water table level
- 6) Damage caused by Pollution or Contamination unless the Pollution or Contamination is itself caused by a Specified Peril that is not otherwise excluded
- 7) the Excess amount stated in the Schedule

The insurance for each Item of this Section is declared to be subject to Average ie, if the insured Property shall at the breaking out of any Damage insured hereby be collectively of greater value than 108 per cent of the Declared Value stated in the Schedule then You will be considered to be Your own insurer for the difference and will bear a rateable share of the claim loss amount accordingly

## Section Exclusions

We will not provide indemnity for:

- 1) Property more specifically insured by You or on Your behalf;
- 2) Damage due to cessation of work or by confiscation or detention by customs or other officials or authorities;
- 3) Damage which originated prior to the inception date of this Policy

# Rent Receivable

## Section Definitions

These definitions apply to this Section wherever these words or phrases appear with an upper case letter except where otherwise stated.

### Additional Expenditure

means any additional expenditure necessarily and reasonably incurred with Our consent.

### Annual Rent Receivable

means the Rent Receivable during the 12 months immediately before the incident, or for a New Business, the proportionate equivalent for a period of 12 months of the Rent Receivable, realised during the period between the date You commenced Your Business and the Incident

### Business Interruption

means an Incident resulting from interruption of, or interference with, Your Business carried on at the Premises in consequence of an Incident.

### Customer Accounts

Means all the credit accounts of Your Business

### Estimated Rent Receivable

means the amount declared by You to Us, as representing not less than the Rent Receivable which it is anticipated will be earned by Your Business during the financial year most nearly concurrent with the Period of Insurance, or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds 12 months

### Rent Receivable

means the money, including any service charges paid or payable to You for from letting of the Premises specified in the Schedule

### Indemnity Period

means the period commencing from the date of the Incident and ending no later than the Maximum Indemnity Period stated in the Schedule, during which the Rent Receivable is affected as a result of Damage.

### Maximum Indemnity Period

means the number of months stated against each item detailed in the Schedule, unless stated otherwise by Endorsement.

### Outstanding Debit Balances

means an estimate of the total debit declared at the time of the Incident adjusted for:

- 1) bad debts
- 2) amounts debited or invoiced but not debited and credited, including credit notes and money not passed through Your books of accounts at the time of the Incident to Customers Accounts in the period between the last statement date and Incident
- 3) any abnormal condition of trade which had or could have had a material effect on Your Business, so that

the figures adjusted shall represent as nearly as practicable those which would have applied at the Incident

### Standard Rent Receivable

means the Rent Receivable during the period in the 12 months immediately before the Incident, which corresponds with the Indemnity Period, or for a New Business the proportionate equivalent for a period equal to the Indemnity Period of the Rent Receivable, realised during the period between the date You commenced Your Business and the date of the Incident

## Section Cover

Loss of Rent Receivable arising from Damage to any property owned by You, occurring during the Indemnity Period following an incident during the Period of Insurance caused by a Specified Peril insured under the Buildings Section

provided that, at the time of the incident occurring there shall be in force an insurance covering Your interest in the Property insured at the Premises against such Damage, and that payment:

- 1) shall have been made or liability admitted; or
- 2) would have been made, or liability admitted but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

except where in respect of any item under Rent Receivable, where another party (not belonging to You) is responsible for insuring the Buildings by virtue of lease or other contractual arrangements

## Limit of Liability

Our liability under this Section shall not exceed the Sum Insured by each item stated in the Schedule in respect of any one Period of Insurance, or any limit stated in any Extension and/or Endorsement to this Section

### Buildings Awaiting Refurbishment, Redevelopment or Renovation

If at the time of Damage any Buildings are awaiting refurbishment, redevelopment or renovation, We shall not be liable for any costs that would have been incurred by You in the absence of such Damage

## Section Extensions

The terms, Conditions and Exclusions of this Policy and/or Section apply to these Extensions and where no limit or maximum liability is stated in the Extensions the Section Limit of Liability applies.

Any loss in respect of Rent Receivable as insured by this Section is extended to include Business Interruption as a result of:

### Buildings Awaiting Letting at Commencement of Period of Insurance

If at the time of Damage, any Building insured in the Schedule, have been newly leased since commencement of the Period of Insurance, but no Sum Insured on Loss of Rent has been allocated to the new tenancy, the cover under this Extension extends to include Rent Receivable for a total sum not exceeding £250,000 per annum for a Maximum Indemnity Period of 24 months, for all losses or series of losses arising directly from the same originating cause.

### Boiler Explosion

Damage resulting from the explosion of any boiler or economiser within a Residential Premises belonging to You or under Your control.

### Automatic Reinstatement

In the absence of written notice from Us or You to the contrary, the Sum Insured by this Section shall not be reduced by the amount of agreed claim settlement and in return You undertake to pay an additional premium on the amount of the agreed claim settlement from the date thereof.

### Book Debts

If You are unable to trace or establish the Outstanding Debit Balances in whole or in part following Damage to Your books of account, or other Business books, or documents at the Premises, or any premises occupied by persons acting on Your behalf to which Your Business records are temporarily removed, or in Transit within the Territorial Limits, but excluding an Incident resulting from

- 1) records being mislaid or misfiled
- 2) the deliberate falsification of records, or by any bookkeeping, accounting, or other error or omission
- 3) dishonest or fraudulent act by Your Employees, or by any person acting on their behalf

The insurance provided by this Extension is limited to an Incident You sustain in respect of Outstanding Debit Balances directly due to the Incident and the amount payable in respect of any one event of an Incident shall not exceed

3.1) the difference between:

- i) the Outstanding Debit Balances and
- ii) the total of the amounts received or traced in respect thereof

and

3.2) the additional expenditure incurred with Our consent in tracing and establishing customers debit balances after the Incident

provided that if the Sum Insured by this item be less than the Outstanding Debit Balances, the amount payable will be proportionately reduced

Our maximum liability under this Extension shall not exceed £25,000 any one occurrence.

It is a condition precedent to any liability of Ours under this Extension that:

- 1) You will keep a monthly record of the amounts outstanding in Your Customer Accounts as set out in Your books of account and that such records be kept at a place other than the Premises
- 2) if there are fire-resisting safes or cabinets at the Premises, Your books or records used for Your Business in which Customer Accounts are shown must be kept in such safes or cabinets when not in use.

### Contingency Rent Extensions for Landlords Protections

Where there is a provision in the lease agreed between You and the lessee of the Premises for an abatement of rent in the event of any loss as described below, or where the Rent Receivable is reduced as a direct consequence of the turnover of the lessees business being reduced by any such loss, or in respect of any Premises where there are no leases or licences in force at the date of any such loss, the insurance by the item on Rent Receivable is extended to include the following, subject to Our liability not exceeding

£500,000 for all losses or series of losses arising directly from the same originating cause:

#### a) Denial of Access

Loss as insured, caused by prevention or hindrance of access to the Buildings or prevention of use of the Buildings in consequence of any Property or rights of way in the immediate vicinity of the Buildings being:

- 1) occupied by terrorists or persons thought to be terrorists
- 2) unlawfully occupied by third parties except in the course of a dispute between any employer and employee or group of workers
- 3) thought to contain or actually containing harmful device, provided that the police are immediately informed
- 4) closed down or sealed off in accordance with instructions issued by the police or any other statutory body except where the cause of such closure or sealing is due the condition of the Buildings or the business carried on within the Buildings; You or lessee's non-compliance with action taken as a result of drought or diseases or other hazards to health

Provided that:

- 1) We shall not be liable for losses arising from any cause within Your control or the control of the lessee, or loss which is the direct result of repairs or maintenance being carried out to the



Property as a result of inherent defect or wear and tear.

restrict supply, due to drought or any other reason

- 2) the cover provided by items 1) of this Extension is not subject to Policy Exclusion: Terrorism of this Policy.
- 3) where Denial of Access is caused by the threat of terrorism, Our liability shall not exceed £100,000 for all losses or series of losses arising directly from the same originating cause

- 3.2) strikes or any labour or trade dispute
- 3.3) other atmospheric or weather conditions but this shall not exclude failure due to damage to equipment caused by such conditions
- 3.4) loss resulting from error or omission in the design, plan or specification of such land based lines and cables, operational error or omission, faulty workmanship, or faulty materials employed in the original product and or original installation of such property

## b) Compulsory Closure

Interruption of or interference with the Business as a result of compulsory closure of the Premises by a public body authorised to prevent access to the Premises arising from the occurrence of:

- 1) foreign or deleterious matter in food or drink sold, supplied or provided at the Premises
- 2) murder, manslaughter, suicide or rape at the Premises
- 3) defective sanitation or the presence of vermin or pests at the Premises.

the Maximum Indemnity Period under this extension shall be 3 months and £100,000 any one incident

For the purposes of the cover provided by this Extension the Indemnity Period is restated as follows:

The Indemnity Period shall mean the period of time during which interruption to the Business occurs as a result of the matters set out at sub-clauses 1) – 3) (each 'an occurrence') commencing with the date of the closure of the Premises and not exceeding

- a) 30 days in respect of each occurrence and
- b) 30 days in total in respect of all occurrences in any one Period of Insurance

Our maximum liability will not exceed £25,000 in any one Period of Insurance

## c) Public Utilities

Loss arising in consequence of an Incident as insured by this Section, to property at the premises of any public supply undertaking including the land based lines and cables carrying the supply to the terminal point of Your Premises, in the Territorial Limits from which You obtain gas electricity water or telecommunications but excluding;

- 1) telecommunications where such failure is for a period of less than 24 hours
- 2) electricity gas or water where such failure is for a period of less than 1 hour
- 3) any failure caused by
  - 3.1) the deliberate act of any supply authority, or by the exercise by any such supply authority of its power to withhold, or

## Loss of Attraction

Damage to buildings or other property in the immediate vicinity of the Premises, which would have such an effect on the business carried on at the Premises that:

- 1) an agreement to lease the Premises, or any part of the Premises in course of negotiation or review is avoided or amended and that Rent Receivable is reduced; or
- 2) the turnover in any lessees business is affected and Rent Receivable is reduced

Our liability shall not exceed an Indemnity Period of 3 months or £250,000 whichever is less for all losses or series of losses arising directly from the same originating cause

## Loss of Attraction – Anchor Tenants

If solely in consequence of Damage, an anchor tenant vacates the Premises by virtue of their lease agreement enabling them to do so, We will provide cover for the loss of Rent Receivable following the insolvency of other tenants, which can be attributed to a reduction in the number of customers attracted to the vicinity of the Premises.

Our liability shall not exceed a maximum indemnity period of 12 months following the Damage

## Loss of Investment Income on Late Payment of Rent

If solely in consequence of Damage, We are providing indemnity under this Policy in respect of loss of Rent Receivable and the payment by Us to You is made later than the date upon which You would have normally expected to receive the Rent Receivable from a lessee, We will pay a further sum representing the investment interest lost to You during the delay period.

## Managing Agents and Insureds Own Premises

The insured by each item on Loss of Rent includes loss as insured resulting solely from Damage by any of the Specified

Perils under the Buildings Section or other Property at any location in the United Kingdom, owned or occupied by You or Your managing agent, for the purpose of Your Business in consequence of which Rent Receivable by You is reduced subject to Our liability not exceeding £500,000 for all losses or series of losses arising directly from the same originating cause.

### Prevention of Access

The insurance by each item on Loss of Rent includes loss as insured, caused by prevention or hindrance of access to the Buildings or prevention of use of the Buildings arising in consequence of an occurrence of any Specified Peril insured under the Buildings Section, in the immediate vicinity of the Buildings.

Our maximum liability shall not exceed £1,000,000 for all losses or series of losses arising directly for the same originating cause.

### Shortfall in Rent Following Review

If during the Indemnity Period You are precluded from exercising Your right to implement a rent review under the terms of a lease, We will pay in respect of the Buildings which have suffered Damage, the loss of projected increase in Rent Receivable being the amount of the actual shortfall in Rent Receivable solely in consequence of the Damage that would otherwise have been received, had the rent review been implemented from the expiring of the Indemnity Period until the date of the next subsequent rent review but in no case exceeding 60 months

### Stepped Rent

If during the Indemnity Period and as a result of Damage by any of the Specified Perils under the Buildings Section, You are precluded from exercising Your right to receive the full rental income that You would have received but not for a stepped rent clause in the lease, We will pay the loss of Actual Rent Receivable sustained in respect of the Buildings which have suffered Damage

### Turnover Rent (Future Reviews)

If in consequence of Damage by any of the Specified perils under Buildings Section, any lessee suffers a reduction in the turnover of their business and solely in consequence of this there is a reduction in the Rent Receivable by You, during the period commencing from the date of the next renew review subsequent to the Damage, We will pay to You the actual amount of the reduction in Rent Receivable solely in consequence of the Damage up to a maximum Period of 24 months from that date

## Section Conditions

### Alteration and Additions to the Premises including Partial Refurbishments and Fit-outs

In the event that alterations or additions to the Premises are effected during the Period of Insurance and are not more specifically insured, the following increases in cover shall apply from practical completion of the work until the expiry of the Period of Insurance immediately following such completion.

If the Rent Receivable is to increase following completion of the alterations or additions, Our liability shall be increased by the anticipated amount of the additional Rent Receivable for the Indemnity Period insured, not exceeding either 10% of the Sum Insured in respect of Rent Receivable or £250,000 whichever is the lesser

### Basis of Claims Settlement

The following settlement headings apply when the insured item(s) below are stated in the Schedule to this Section

### Estimated Rent Receivable or Rent Receivable

means the insurance under this item is limited to

### Loss of Rent

- 1) the amount by which the Rent Receivable during the Indemnity Period, as a result of Business Interruption, falls short of the Rent Receivable which would have been received during the Indemnity Period had no Damage occurred;
  - 2) the legal and other costs necessarily and reasonably incurred during the Indemnity Period, in re-letting the Buildings solely in consequence of the Damage
- and
- 3) Additional Expenditure for the sole purpose of avoiding or diminishing the reduction in Rent Receivable during the Indemnity Period, but not exceeding 110% of the amount of the reduction by such expenditure

The amount payable as Indemnity thereunder shall be

- i) for 1) the amount by which the Rent Receivable during the Indemnity Period shall fall short of the Standard Rent Receivable in consequence of the Incident
- ii) for 2) & 3) the legal and other costs incurred in re-letting and the additional expenditure necessarily and reasonably incurred, for the sole purpose of avoiding or diminishing the loss of Rent Receivable, which but for the expenditure would have taken place during the Indemnity Period in consequence of the Incident, but not exceeding the amount of the reduction in Rent Receivable thereby avoided

Less any sum saved during the Indemnity Period in respect of such expenses and charges, that may cease or be reduced, in consequence of the Incident, provided that;

If the Sum Insured by the item on Estimated Rent Receivable or Rent Receivable, be less than the Annual Rent Receivable or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds 12 months the amount payable shall be proportionately reduced

### Business Rates

the further expenditure including but not limited to business rates payable to public authorities necessarily and reasonably incurred by You with Our prior consent, solely in consequence of Damage, which would have been payable by lessees during the Indemnity Period

### Public Relations

the further additional expenditure in maintaining public relations whilst repairs are being carried out, during the Indemnity Period, necessarily and reasonable incurred with Our prior consent solely in consequence of the Damage

### Accelerated Reinstatement Expenditure

the further additional expenditure necessarily and reasonable incurred with Our prior consent, during the Indemnity Period, solely in consequence of the Damage, to avoid or minimise any loss of Rent Receivable that is not recoverable by You under this or any other policy during the period of twelve months immediately after the expiry of the Indemnity Period, but not exceeding the loss of Rent Receivable thereby avoided during that period of twelve months by You,

### Professional Fees

the reasonable charges payable by You and incurred with Our prior consent, during the Indemnity Period to:

- 1) Your professional accountants for producing such information as may be required by Us, under the terms of the Claims Conditions and for reporting that such information with Your accountants
- 2) Your lawyers for determining Your contractual rights under any rent cesser clause of insurance break clause contained in any relevant lease

but not for any other purpose in preparation of any claim.

### Additional Increased Cost Working

The further expenditure necessarily and reasonably incurred in consequence of the Damage, solely to avoid or minimise loss of Rent Receivable or to comply with lease or service obligation during the Indemnity Period. The maximum amount We shall pay under this item is the Sum Insured stated in the Schedule.

### Advanced Rent

Rent Receivable but for the Damage would have been received during the Indemnity Period, in respect of Buildings in the course of erection, redevelopment, refurbishment or fitting out for future occupation, but not yet leased and which are not specifically insured elsewhere.

Our maximum liability under this item is the Sum insured stated in the Schedule

When adjusting Your claim in respect of Premises where there are no leases or licences in force, We shall take account of any negotiations that You have had with prospective tenants both before and after the Damage in demand for similar accommodation in the area and allowance will be made for all extraordinary and other circumstances of the Business, including but not limited to fluctuations in market conditions.

### Underinsurance Provision Rent – Blanket Basis

If at the time Damage occurs the total Sum Insured on Rent Receivable is less than the day One Rental Value, Our liability

for any loss shall be limited to that portion of the amount otherwise payable, which the Sum Insured bears to the Day One Rental Value.

### Day One Rental Value

The actual annual Rent Receivable at the commencement of the Period of Insurance including any reasonable estimated allowances for any turnover, rent and/or service charges if insured which shall be proportionately increased if the Indemnity Period exceeds 12 months.

If no rent is being received at the commencement of the Period of Insurance, the Day One Rental Value shall be deemed to be estimated market rent or if there is a rent free period it shall be deemed to be the actual annual Rent Receivable that applies from the date immediately after the rent free period ceases.

### Buildings Awaiting Sale

If at the time of Damage You have contracted to sell Your interest in the Buildings, or have accepted an offer in writing to purchase Your interest in the Premises subject to contract and the sale is cancelled, or delayed solely in consequence of the Damage, then provided that you shall make all reasonable efforts to complete the sale of the Premises as soon as practicable after the Damage, You may opt for the amount payable by Us to be:

- 1) prior to the date upon which but for the Damage the premises would have been sold the loss of rent being the actual amount of the reduction in Rent Receivable by You, solely in consequence of the Damage
- 2) during the period commencing with the date upon which but for the Damage the Buildings would have been sold and ending with the actual date of sale, or with the expiring of the Indemnity Period if earlier;

the loss in respect of interest being:

- 2.1) the actual interest incurred on capital borrowed (solely to offset in whole or part the loss of use of the sale proceeds) for the purpose of financing the Business
- 2.2) the investment interest lost to You on any balance of sale proceeds after deduction of any capital borrowed as provide under 2.1)

less any amount receivable in respect of Rent Receivable

- 3) the Additional Expenditure being the expenditure necessarily and reasonably incurred in consequence of the Damage solely to avoid or minimise loss payable under 1) or 2) immediately above, but not exceeding the amount of loss avoided by such expenditure plus

- 5% of the Sum Insured by the item Or

- £250,000

whichever is less

- 4) the additional legal fees and other expenditure reasonably and necessarily incurred, solely as a result of the cancellation or delay in consequence of the Damage, but not exceeding either amount of the expenditure incurred immediately prior to the Damage, or £50,000 whichever is the less

except

- 4.1) the amount payable shall be adjusted to provide for any benefit derived by You from cancellation or delay in the sale, so that it represents nearly as may be reasonably practicable the actual loss suffered by You

- 4.2) in the event of underinsurance, the amount payable shall be adjusted in accordance with the Underinsurance Provision Rent – Blanket Basis Clause

Providing that the maximum amount payable for all losses or series of losses arising directly from the same originating cause in respect of any item under Rent Receivable insured under this Section is 200% of the Sum Insured stated in the Schedule, before any adjustment in accordance with the Underinsurance Provision Rent – Blanket basis Clause

### Rent Free Period

If at the date of the Damage any Buildings insured under this policy is subject to a 'Rent Free Period' concession under the terms of the lease, then the Maximum Indemnity Period stated in the Schedule shall be adjusted by adding the number of months/years shown in the Schedule as the remaining balance of such 'Rent Free Period', subject to allowance for the actual future Rent Receivable having been included in the Day One Rental Value and subject to the amount added not exceeding twenty four months

### Claims (Action to be taken by You)

It is a condition precedent to liability that

- 1) in the event of an Incident in consequence of which a claim is or may be made under this Section You will
  - 1.1) notify Us as soon as is reasonably practicable
  - 1.2) deliver to Us at your own expense within 7 days, full details of any Incident caused by Specified Peril 5) Riot Civil Commotion Strikers Locked-out Workers or Specified Peril 6) Malicious Persons
  - 1.3) with due diligence carry out and permit to be taken any action which may be reasonably practicable to minimise or check any interruption of or interference with the Your Business or to avoid or diminish the loss
- 2) in the event of a claim being made under this Section You will at Your own expense as soon as is reasonably practicable
  - 2.1) deliver to Us in writing particulars of Your claim, together with details of all other insurances

covering Property used by You, at the Premises for the purpose of the Your Business or any part of it, or any resulting Business Interruption

- 2.2) deliver to Us such books of account and other Business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence, as may be reasonably required by Us, for the purpose of investigating or verifying the claim, and if requested, a statutory declaration of the truth in respect of the claim and any relevant details

- 3) any Payments on account of the claim already made will be repaid to Us if this Condition is not complied with

### Condition of Average (underinsurance)

If the Sum Insured by items for Rent Receivable is less than the corresponding Estimated Gross Profit Revenue or Rent Receivable figures disclosed by You, then Our liability shall be limited to that proportion which the Sum Insured on each item bears in relation to the corresponding estimate

### Current Cost Accounting

For the purpose of Section Definitions any adjustment implemented in current cost accounting shall be disregarded

### Cessation of Trading

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

### Rent of Residential Property

In the Event that Buildings occupied solely or partially for Residential purposes suffer Damage, and no Sum Insured on Rent Receivable for the residential portions has been allocated, then this insurance will extend to include such loss of Rent Receivable, including the cost of re-letting and any additional expenditure as detailed

For the purposes of cover by this Condition:

- 1) Indemnity Period shall mean the period from the date of Damage for which We shall be liable to pay any loss and the Maximum Indemnity Period shall be 36 months; and
- 2) the Underinsurance Provision Rent – Blanket basis Clause is deleted

The Condition will alternatively indemnify You in respect of any expenditure incurred in the provision of comparable accommodation for the benefit of any lessee to comply with the requirements of the lease.

Our liability under this Condition shall not exceed 20% of the Sum Insured applicable to the residential building or residential portion of the Building concerned

### **First Financial Year**

In the Event of Damage occurring before the first financial year of the Business, the results of the Business to date of the Damage will be used as a basis on which to assess what the rental income for the first financial year would have been, had the Damage not occurred

### **Value Added Tax**

To the extent that You are accountable to H.M. Revenue and Customs for Value Added Tax all terms in this Section shall be exclusive of such tax

### **Section Exclusions**

We will not indemnify You for

- 1) loss damage liability claim cost or expense directly or indirectly caused by contributed to by resulting from or arising out of any infectious or contagious virus or disease



# Liability Section

## Section Definitions

These definitions apply to this Section wherever these words or phrases appear with an upper case letter except where otherwise stated

### Asbestos

means asbestos fibres or particles or any derivatives of asbestos, including any product or material containing asbestos, asbestos fibres or particles, or any derivatives of asbestos

### Bodily Injury

means physical or mental injury, including death, illness, disease, mental, anguish or shock, but not defamation

### Business

means the Business as shown in the Schedule and is extended to include

- 1) the ownership, repair, maintenance and decoration of the Buildings
- 2) private work undertaken by any Employee with Your consent for any director or partner of Yours;

and

- 3) the provision and management of canteen, sports, social and welfare organisations for the benefit of Employees and fire, security, first aid, medical and ambulance services.

### Communicable Disease

- 1) Coronavirus being:
  - a) any coronavirus; or
  - b) any disease caused by any coronavirus; or
  - c) any mutation or variation of any coronavirus or of any disease caused by any coronavirus.
- 2) Any other infectious disease in humans which has been determined or declared to:
  - a) constitute a Public Health Emergency of International Concern under the International Health Regulations (2005) (as amended or replaced from time to time); and/or
  - b) an outbreak identified as a major health incident in the United Kingdom, for which a Scientific Advisory Group for Emergencies has been activated by the Cabinet Office Briefing Room.

### Craft

means anything made or intended to float on, or travel through water, air or space

### Excess

means the first amount payable by You or any other person entitled to indemnity of each and every claim, before We shall be liable to make any payment

If any payment made by Us includes the amount for which You or any party entitled to indemnity is responsible, such amount shall be repaid to Us immediately.

The Excess does not form part of the Limit of Liability and is payable by You before the application of the Limit of Liability

### Limit of Indemnity

means Our liability under this Section payable in respect of any one Occurrence or series of Occurrences, arising directly from the same originating cause and shall not exceed the Indemnity Limit stated in the Schedule

### Principal

means any person, employer, firm, company, ministry or authority for whom You carry out a contract for the performance of work

### Terrorism

means any act including but not limited to, the use of force or violence and/or the threat thereof of any person or persons, whether acting alone or on behalf of, or in connection with, any organisations or governments, committed for political, religious, ideological, or similar purposes and or to put the public or any section of the public in fear

## Employers' Liability Subsection

### Subsection Cover

We will indemnify You against legal liability for damages in respect of Bodily Injury caused to an Employee, during the Period of Insurance within the Territorial Limits arising out of and in the course of employment with You in connection with Your Business

### Limit of Liability

Our Limit of Liability for damages, costs and expenses payable in respect of any Event, shall not exceed the amount stated as the Limit of Indemnity for this Subsection in the Schedule

### Subsection Extensions

The terms, Conditions and Exclusions of this Policy apply to these Subsection Extensions and where no limit or maximum liability is stated in the Extensions the Subsection Limit of Liability applies

### Unsatisfied Court Judgments

Where a judgment for damages has been obtained by any Employee or the legal personal representatives of any

Employee in respect of Bodily Injury caused to the Employee arising out of and in the course of employment with You, in connection with Your Business and such judgment remains unsatisfied in whole, or in part 6 months after the date of judgment, then at Your request We will pay to the Employee or their legal personal representatives, the amount of any such damages and any awarded costs, to the extent that they remain unsatisfied provided that

- 1) the judgment for damages has been obtained against any company or individual operating from or resident in Premises within the Territorial Limits, in any court situated in the Territorial Limits
- 2) there is no appeal outstanding
- 3) if any payment is made by Us, the Employee or their legal personal representatives shall assign the judgment to Us
- 4) this Subsection is operative at the time that such Bodily Injury is caused and indemnity will only apply in respect of those damages that relate to Bodily Injury caused during the Period of Insurance
- 5) Our liability for damages, costs and expenses shall not exceed the amount stated as the Limit of Liability in the Schedule

### Work Overseas

The indemnity provided shall extend to apply in respect of legal liability for Bodily Injury caused to an Employee whilst temporarily engaged in work outside of the Territorial Limits, which is a member state of the European Union provided that:

- 1) any such Employee is ordinarily resident within the Territorial Limits
- 2) We shall not provide indemnity in respect of any amount payable under Workers Compensation Social Security or Health Insurance Legislation

### Subsection Exclusions

We shall not provide indemnity against liability

- 1) in respect of which compulsory insurance or security is required to be arranged by You under the Road Traffic Act 1988 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation amending or replacing such Act or Order
- 2) arising in connection with any visits to or work on any offshore rig or platform. A visit to or work on any

offshore rig or platform shall be deemed to commence at the time of embarkation onto a conveyance at the point of final departure to such rig or platform and continue until the time of disembarkation from a conveyance onto land on return from such offshore rig or platform

### Property Owners Liability Subsection

#### Subsection Cover

We will indemnify You against legal liability for damages in respect of accidental

- 1) Bodily Injury to any person other than an Employee
- 2) Damage to Property not belonging to You
- 3) obstruction trespass nuisance or interference with any right of way air light or water or other easement

- 4) wrongful arrest wrongful detention false imprisonment or malicious prosecution

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

### Limit of Liability

- 1) Our Limit of Liability for damages payable in respect of any Event shall not exceed the amount stated as the Limit of Indemnity for this Subsection in the Schedule provided that
  - 1.1) unless otherwise stated herein or endorsed hereon any costs and expenses for which an indemnity is provided under this Subsection will be payable in addition to the Limit of Liability applicable
  - 1.2) the Limit of Liability under this Section for all damages payable in respect of all occurrences arising directly or indirectly from Communicable Disease during any one Period of Insurance and in the aggregate shall not exceed £1,000,000 inclusive of all costs and expenses. This limit will form part of and not be in addition to the Limit of Indemnity stated in the Schedule

### Subsection Extensions

The terms Conditions and Exclusions of this Policy apply to these Subsection Extensions and where no limit or maximum liability is stated in the Extensions the Subsection Limit of Liability applies

### Data Protection Act

We will within the terms of this Subsection indemnify You against liability for damages in respect of Damage arising out of any claim under Article 82 of Regulation (EU) 2016/679 (the "General Data Protection Regulation" or the "GDPR") and equivalent provision under the Data Protection Act 2018 (all as amended, updated or re-enacted from time to time) not otherwise insured hereunder and first made against You during the Period of Insurance provided that

- 1) Our liability under this Extension for damages costs and expenses arising out of all claims made during any one Period of Insurance shall not exceed £1,000,000 or the amount stated as Limit of Liability in the Schedule to this Subsection, whichever is lower
- 2) You have registered in accordance with the terms of the said Act or have applied for such registration which has not been refused or withdrawn
- 3) We shall not provide indemnity
  - 3.1) for 10 per cent of each claim subject to a minimum of £500 and a maximum of £5,000
  - 3.2) against liability caused by or arising from a deliberate act by or omission of any person entitled to indemnity under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission

- 3.3) for the costs of replacing reinstating rectifying or erasing any personal Data
- 3.4) against liability caused by or arising from any incident or circumstances known to You at inception of this Extension which may give rise to a claim
- 3.5) against liability caused by or arising from the recording processing or provision of Data for reward or the determining of the financial status of a person
- 3.6) against Contractual Liability
- 3.7) against liability in respect of Bodily Injury to any person or Damage to Property

### Defective Premises Act

The indemnity provided by this Subsection shall extend to apply in respect of liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any Premises previously owned or occupied by You for purposes pertaining to Your Business and which have since been disposed of by You provided that We shall not provide indemnity against liability

- 1) for which indemnity is provided by any other insurance
- 2) for the costs of remedying any defect or alleged defect in such Premises

### Motor Contingent Liability

Notwithstanding Subsection Exclusion 7.2) We will indemnify You against legal liability arising out of the use in the course of the Business of any motor vehicle which is not the property of nor provided by You.

Provided that We shall not be liable:

- 1) for loss, destruction or Damage to such vehicle or any property contained within
  - 2) whilst such vehicle is being driven by You
  - 3) whilst such vehicle is being driven with Your consent by any person who does not hold a licence to drive such vehicle
  - 4) for legal liability for which You are entitled to indemnity under any other insurance
- or
- 5) for legal liability arising outside of the Territorial Limits

### Overseas Personal Liability

The indemnity provided by this extension will indemnify You and at Your request any director or partner of Yours, or any Employee or any family member accompanying them,

whilst temporarily outside the Territorial Limits in connection with the Business, against legal liability as provided by this Subsection incurred in a personal capacity.

Provided that this indemnity shall not apply:

- 1) to legal liability arising out of ownership or tenure of any land or buildings; or
- 2) where indemnity is provided by any other insurance

### Work Overseas

The indemnity provided shall extend to apply in respect of liability caused by or arising from

- 1) work being undertaken on a temporary basis by any person within any country outside of the Territorial Limits which is a member of the European Union;

provided that such Employee is ordinarily resident within the Territorial Limits

### Contractual Liability

If You by agreement, assume liability which would not otherwise have attached, the cover under this Subsection will only apply if We have sole conduct and control of all claims but excluding liability:

- 1) for liquidated damages or under any penalty clause;
- 2) arising from any contract which involves work outside the United Kingdom, the Channel Islands and the Isle of Man; or
- 3) for Damage to property caused by those risks against which You are required to effect insurance by reason of Clause 21.2.1 of the Standard Form of Building Contract issued by the Joint Contracts Tribunal or

any subsequent revision or substitution or any other contract condition incorporating a similar requirement

### Subsection Exclusions

We shall not provide indemnity against liability in respect of:

- 1) the cost of replacing or making good faulty, defective or incorrect
  - 1.1) workmanship; or
  - 1.2) materials, goods or other property sold, supplied, installed or erected by or on behalf of You
- 2) Damage to material property sustained whilst it is being worked upon and directly resulting from such work
- 3) legal liability for Bodily Injury caused to any Employees arising out of and in the course of such persons employment or engagement by You in the Business

- 4) legal liability for Damage to material Property belonging to, or in the charge or under the control of You, but this Exclusion shall not apply to Your directors or partners, Employees or visitors property including vehicles or their contents or any premises (including contents) which are temporarily occupied by You for the purpose of work in connection with the Business (not being Buildings which are owned by or leased, rented or hired to You)
- 5) legal liability arising in connection with any visits to or work on any offshore rig or platform. A visit to or work on any offshore rig or platform shall be deemed to commence at the time of embarkation onto a conveyance at the point of final departure to such rig or platform and continue until the time of disembarkation from a conveyance onto land or return from an offshore rig or platform
- 6) legal liability arising from advice, design, formula or specification provided by You or on behalf of You for a fee or in circumstances where a fee would normally be charged.
- 7) legal liability caused by the ownership, possession or use by or on behalf of You or any:
  - 7.1) Craft other than hand propelled watercraft; or
  - 7.2) mechanically propelled vehicles or trailer attached thereto, licensed for road use other than legal liability arising from:
  - 7.3) use of plant as a tool of trade on site or at the Premises
  - 7.4) the loading or unloading of such vehicle
  - 7.5) the movement of any such vehicle not the property of You which is interfering with the performance of Your Business
  - 7.6) the possession of any such vehicle at the Premises but this indemnity shall not apply in respect of such liability compulsory insurance or security is required under any legislation governing the use of the vehicle.
- 8) legal liability arising out of any good (including their containers, packaging, labelling and instructions for use) manufactured, sold, supplied, hired out, repaired, renovated, serviced, maintained, altered, erected, installed, examined, checked or treated by You or on Your behalf in connection with the Business and no longer in your charge or control, other than:
  - 8.1) food or drink sold or supplied for consumption by Your directors, partners, Employees or visitors; or
  - 8.2) the disposal of furniture and office equipment originally intended solely for use by You in connection with Your Business and which is no longer required for that purpose.
- 9) liquidated damages, fines or penalties
- 10) punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages
- 11) all legal liability in respect of Pollution or Contamination other than that caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during any one Period of Insurance provided that:
  - 11.1) all Pollution and Contamination which arises out of any one incident shall be deemed to have occurred at the time such incident takes place
  - 11.2) Our liability for all damages including interest thereon payable in respect of all Pollution and Contamination which is deemed to have occurred during any one Period of Insurance shall not exceed in the aggregate the Limit of Liability state in the Schedule; and
  - 11.3) this Exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories
- 12) all legal liability in respect of Pollution or Contamination occurring in the United States of America and/or Canada or their dependencies or trust territories
- 13) all legal liability in respect of:
  - 13.1) mental injury mental anguish or shock or fear of suffering death Bodily Injury illness or disease arising out of the actual alleged or suspected presence or release of Asbestos or exposure to or inhalation of Asbestos.
  - 13.2) for the costs of management including those of any persons under any statutory duty to manage removal mitigation remediation repair alteration recall rectification replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos

## Section Extensions

The terms Conditions and Exclusions of this Policy apply to these Section Extensions and where no limit or maximum liability is stated in the Extensions the Subsection Limit of Liability applies

## Claimants' Costs and Expenses

We will provide indemnity against legal liability for all costs and expenses recoverable by any claimant in connection with any claim to which the indemnity applies

## Costs of Court Attendance

If any of the under mentioned persons attending court as a witness at Our request in connection with a claim in respect of which You are entitled to indemnity under this Section We will reimburse You at the following rates per day for each day on which attendance is required

- 1) any director or partner of the Insured £500
- 2) any Employee £250

### Cross Liabilities

If the Insured comprises of more than one party We will under the Public Liability and Product Liability Subsections provide indemnity to each such Insured in the same manner, and to the same extent as if a separate Policy had been issued to each of them, provided that nothing in this Extension shall increase Our liability to pay any amount exceeding the Limit of Liability of the Public and Products Liability subsection stated in the Schedule, regardless of the number of persons claiming to be indemnified

### Defence Costs and Expenses

We will provide indemnity in respect of all

- 1) costs incurred with Our written consent of legal representation at any
  - 1.1) coroner's inquest or other inquiry in respect of any death
  - 1.2) proceedings in any court in respect of any act or omission causing or relating to any Event
- 2) other costs and expenses incurred with Our written consent in relation to any matter

### Health and Safety at Work Act

We will provide indemnity to You and at Your request any director partner or Employee of Yours in respect of legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought for a breach of the Health & Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 including such legal costs and expenses incurred in an appeal against conviction arising from such proceedings and prosecution costs awarded in connection therewith provided that

- 1) the proceedings relate to an offence alleged to have been committed during the Period of Insurance and in the course of Your Business
- 2) We shall not provide indemnity in respect of
  - 2.1) fines or penalties of any kind
  - 2.2) any circumstances for which indemnity is provided by any other insurance
  - 2.3) proceedings consequent upon a deliberate act by or omission of any person entitled to indemnity under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such an act or omission
  - 2.4) proceedings which arise out of any activity or risk excluded from this Policy
  - 2.5) proceedings which relate to the health safety or welfare of any Employee unless the Employers

Liability Subsection is operative at the time when the offence was committed

- 2.6) proceeding which relate other than to the health safety or welfare of any Employee and other than to products supplied unless the Public Liability Subsection is operative at the time when the offence was committed
- 2.7) proceedings which relate to Products Supplied unless Products Liability Subsection is operative at the time when the offence was committed
- 3) the director partner or Employee shall as though they were the Insured be subject to the terms Conditions and Exclusions of this Policy insofar as they can apply

### Indemnity to Principals

We will at Your request indemnify any Principal to the extent required by the contract between You and the principal in respect of legal liability arising from the performance of work by You for such principal; provided that

- 1) You shall retain sole conduct and control of any claim; and
- 2) the principal shall observe fulfil and be subject to the terms , Conditions, Exclusions and limits of this Section in so far as they can apply

### Indemnity to Other Persons

We will provide indemnity for:

- 1) Your personal representatives in the Event of Your death but only in respect of legal liability incurred by You
- 2) at Your request:
  - 2.1) any director or partner of the Yours or Employee whilst acting in connection with Your Business provided that You would have been entitled to indemnity under the respective Section if the claim had been made against You
  - 2.2) any officer or member Your canteen, sports, social or welfare organisations and fire, security, first aid, medical and ambulance services in his/ her respective capacity as such.

Provided that such persons shall observe fulfil and be subject to the terms, Conditions, Exclusions and limits applicable to this Section in so far as they can apply.

### Manslaughter and Corporate Manslaughter Defence Costs

We will provide indemnity to You and at Your request any director partner or Employee of Yours in respect of legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought in connection with an allegation (whether under common law or statute) of manslaughter corporate manslaughter or corporate homicide including such legal costs and expenses incurred in an appeal against conviction arising from such



proceedings and prosecution costs awarded in connection therewith provided that:

- 1) Our liability under this Extension shall not exceed £5,000,000 in the aggregate and in any one Period of Insurance
- 2) this Extension shall only apply to proceedings brought within the Territorial Limits
- 3) We must consent in writing to the appointment of any solicitor or counsel acting on Your behalf
- 4) You shall immediately notify Us of receipt of any summons or other process served upon You which may give rise to proceedings arising from the cover under this Extension
- 5) before We consent to any appeal proceedings costs the counsel must have advised there is a strong possibility the appeal will be successful.
- 6) Any information in support of this assertion requested by Us shall be supplied by You.

It is understood that We will have no liability under this Extension:

- 1) if You have committed any deliberate or intentional criminal act that gives rise to a charge of corporate manslaughter or corporate homicide
- 2) for any fines or penalties of any kind
- 3) where You can obtain indemnity for the costs of defending a criminal proceeding in relation to corporate manslaughter or corporate homicide from any other source or insurance or where but for the existence and of this Extension You would have obtained indemnity from any other source.

## Section Conditions

### Avoidance of Certain Terms and Rights of Recovery

The indemnity provided under the Employers' Liability Subsection is deemed to be in accordance with such provisions as any law relating to the compulsory insurance of liability to Employees within the Territorial Limits or Offshore Installations within the continental shelf around those countries may require but You shall repay to Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law

### Claims (Contribution)

If at the time of any Event to which this Section applies there is or but for the existence of this Section there would be any other insurance covering the same Damage or liability We shall not be liable under this Section except in respect of any Excess beyond the amount which would be payable under such other insurance had this Section not been effected

### Claims (Discharge of Liability)

We may at any time at Our sole discretion

- 1) under Employers Liability Subsection pay to You the Limit of Liability applicable (less any sum or sums already paid in respect or in lieu of damages and less other costs and expenses already paid or incurred prior to such payment) or any lesser sum for which the claim or claims against You can be settled and We shall not be under any further liability in respect of such claim or claims
- 2) under Public Liability Subsection pay to You the Limit of Liability applicable (less any sum or sums already paid in respect or in lieu of damages) or any lesser sum for which the claim or claims against You can be settled and We shall not be under any further liability in respect of such claim or claims except for other costs and expenses for which We may be responsible incurred prior to such payment

provided that in the event of a claim or series of claims resulting in Your liability to pay a sum in excess of the Limit of Liability applicable Our liability under Public Liability or Subsection for costs and expenses shall not exceed an amount being in the same proportion as Our payment to You bears to the total payment made by or on behalf of You in settlement of the claim or claims

# Terrorism Section

## Section Definitions

### Consequential Loss

means an Incident resulting from interruption of or interference with Your Business carried on at the Premises in consequence of an Incident

### Private Individual

means any person who

- 1) is not a trustee or body of trustees where insurance is arranged under the terms of a trust
- 2) does not own Private Residence Property for the purposes of a Business as a sole trader
- 3) owns Private Residence Property where less than twenty percent of the Private Residence Property is occupied for commercial purposes

and is deemed to include

- 1) a Private Residence Property occupied by a trustee or sole trader as their private residence and the Private Residence Property is not a block of flats
- 2) any two or more persons who arrange insurance for the Private Residence Property in their several names and or where the Insured name includes the name of a financial institution for the purposes of noting their financial interest in the Private Residence Property

### Property

means all Property whatsoever except

- 1) any land or Building which is occupied as a private residence or any part thereof which is so occupied unless
  - 1.1) insured under the same insurance contract as the remainder of the Building which is not a private residence
  - 1.2) not insured in the name of an individual
- 2) any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor

### Private Residence Property

means private dwelling houses flats or other dwellings including household contents and personal effects

### Nuclear Installation

means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for the

- 1) production or use of atomic energy

- 2) carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations
- 3) storage processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the course of the production or use of nuclear fuel

### Nuclear Reactor

means any plant (including any machinery equipment or appliance whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons

## Section Cover

Damage or Consequential Loss in England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 occasioned by or occurring through or in consequence of Terrorism

### Limit of Liability

Our liability for Damage under this Section will not exceed the Sum Insured for each item of insured Property as stated in the Schedule of this Section or limit or maximum liability stated in any Extension in respect of any one Period of insurance

Our liability for Consequential Loss under the Business Interruption Section shall not exceed in the whole the Total Sum Insured or in respect of any item the Sum Insured or any other Limit of Liability stated as the Basis of Claims Settlement at the time of the Consequential Loss for that item

## Section Conditions

- 1) In any action suit or other proceedings where We allege that any Damage or Consequential Loss is not covered the burden of proving that such loss is covered shall be upon You
- 2) Any terms in this Policy or Section which provide for adjustments of premium based upon declarations on expiry or during the Period of insurance do not apply to this Section
- 3) If this Policy or Section is subject to any Long Term Agreement/Undertaking it does not apply to this Section

All the terms Conditions and Exclusions and Extensions of this Policy apply except in so far as they are hereby expressly varied

## Section Exclusions

We shall not indemnify You for

- 1) any loss whatsoever or any Consequential Loss directly or indirectly occasioned by or occurring

through or in consequence of riot civil commotion  
war invasion act of foreign enemy hostilities  
(whether war be declared or not) civil war rebellion  
revolution insurrection or military or usurped power  
nationalisation confiscation requisition seizure or  
destruction by government or public authority

- 2) any loss whatsoever or any expenditure resulting or arising there from or any Consequential Loss directly or indirectly caused by or contributed to by or arising from Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether Your Property or not where such Damage is caused by Virus or Hacking or Denial of Service Attack
- 3) any loss whatsoever or any expenditure resulting or arising there from or any Consequential Loss directly or indirectly relating Private Residence Property when insured in the name of an individual caused by or contributed to by or arising from
  - 3.1) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
  - 3.2) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
  - 3.3) chemical and/or biological and/or radiological irritants contaminants or pollutants
- 4) any Damage or cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to Terrorism
- 5) any insured Property which is specifically excluded elsewhere in the Policy or Section
- 6) any Property which is insured by or would but for the existence of this Policy or Section be insured by any form of
  - 6.1) motor insurance
  - 6.2) reinsurance policy or agreement
  - 6.3) aviation marine or transit policy
- 7) the Excess as stated in the Schedule to this Section

# Commercial Legal Expenses Section

## Section Definitions

These definitions apply to this Section wherever these words or phrases appear with an upper case letter except where otherwise stated.

### Appointed Representative

means the Preferred Law Firm, law firm, tax consultancy, accountant or other suitably qualified person We appoint to act on the Insured Persons behalf.

### Costs and Expenses

means

- 1) All reasonable proportionate and necessary costs chargeable by the Appointed Representative and agreed by Us in accordance with the DAS Standard Terms of Appointment
- 2) 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

### Countries Covered

means

- 1) for insured incidents Legal defence (excluding 5. Statutory notice appeals) 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, North Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey
- 2) for all other incidents Great Britain Northern Ireland the Isle of Man and the Channel Islands

### DAS Standard Terms of Appointment

means 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 arrangement (no win no fee). Where a law firm is acting as an Appointed Representative the amount is currently £100 per hour. This amount may vary from time to time.

### Date of Occurrence

means

- 1) for civil cases (other than under insured incident Tax Protection, see 4) 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 and may be before the date You or an Insured Person first became aware of it.
- 2) for criminal cases the date the Insured Person began or is alleged to have begun to break the law
- 3) for 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 license mandatory registration or British Standard Certificate of Registration

- 4) for 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
- 5) for insured incident Legal Defence 5 Statutory Notice Appeals the date when the Insured Person is issued with the relevant notice and has the right to appeal

### Employer Compliance Dispute

means 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

means

- 1) You and the directors, partners, managers and employees and any other individuals declared to Us by You
- 2) 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.

### Let Property

The property or properties which are owned by You or are Your responsibility and let by You to a tenant under a tenancy agreement which is in writing, properly executed and containing an enforceable forfeiture clause.

### Preferred Law Firm

means a law firm, barristers chambers 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 Persons claim and must comply with Our agreed service standard levels which We audit regularly. They are appointed according to the DAS Standard Terms of Appointment.

### Reasonable Prospects

means

- 1) 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 judgement), 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
- 2) for criminal cases there is no requirement for there to be prospects of a successful outcome
- 3) for civil and criminal appeals the prospects of a successful outcome must be at least 51%.

### Tax Enquiry

means 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; or
- (ii) advises of a check of Your whole tax return.

### VAT Dispute

means 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.

### We, Us, Our, DAS

means DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol. BS1 6NH

DAS Legal Expenses Insurance Company Limited ('DAS') is the underwriter and provides the legal protection insurance under Your policy. The legal advice service is provided by DAS Law Limited and/or a Preferred Law Firm on behalf of DAS.

To make sure that you get the most from Your DAS cover, please take time to read the Section which explains the Insurance cover and additional services available to You. Please follow the procedures throughout the policy and particularly those applying to the Employment Disputes and Compensation Awards cover.

### 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, phone Us on 0344 893 0859, available 24 hours a day, 7 days a week. We will ask You about Your claim. We will assess the claim to check Your claim is covered by Your policy. 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 then not to win, the lawyer will manage the case from start to finish.

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.

### DAS Legal Expenses Insurance Company

DAS 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.

### DAS Head and Registered Office:

**DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol, BS1 6NH**

Registered in England and Wales, Company number 103274. Website: [www.das.co.uk](http://www.das.co.uk)

### DAS Law

DAS Law Limited is authorised and regulated by the Solicitors Regulation Authority (registered number 423113).

### DAS Law Limited Head and Registered Office:

**DAS Law Limited, North Quay, Temple Back, Bristol, BS1 6FL**

Registered in England and Wales, number 5417859. Website: [www.daslaw.co.uk](http://www.daslaw.co.uk)

### Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). Compensation from the scheme may be claimed if We cannot meet Our obligations. This will be dependent on the type of business and the circumstances of the claim. More information on the compensation scheme arrangements can be found on the FSCS website, [www.fscs.org.uk](http://www.fscs.org.uk)

### Section Cover

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 Section provided that:

- 1) Reasonable Prospects exist for the duration of the claim
  - 2) the Date of Occurrence of the insured incident is during the Period of Insurance,
- or
- 3) during the currency of a previous equivalent legal expenses insurance policy, provided that:
    - 3.1) the previous legal expenses insurance policy required You to report claims during its currency
    - 3.2) You could not have notified a claim previously as You could not have reasonably been aware of the insured incident
    - 3.3) cover has been continuously maintained in force
    - 3.4) any claim that should have been covered under a previously operative legal expenses insurance policy will not be covered by Us, and
    - 3.5) the available limit of indemnity shall be limited to the lesser of the sums payable under this or Your previous policy
  - 4) any legal proceedings will be dealt with by a court or other body which We agree to within the Countries Covered
- and
- 5) the insured incident happens within the Countries Covered.



## Limit of Liability

### What DAS 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 is £250,000
- 2) the most We will pay for the total of all compensation awards under insured incident Employment Disputes and Compensation Awards 2 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 as an Appointed Representative) 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 within the 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 judgement to recover money and interest due to You after a successful claim under this Section We must agree that Reasonable Prospects exist.
- 6) where an award of 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 Legal Defence 6 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 is absent from work less any amount the court or tribunal pays

### What DAS 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 DAS Standard Terms of Appointment and these will not be paid by Us.
- 2) If **You** are registered for VAT **We** will not pay the VAT element of any Costs and Expenses.
- 3) The total of the compensation awards payable by Us shall not exceed £1,000,000 in any one Period of Insurance.
- 4) 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

## Employment Disputes and Compensation Awards

### 1 Employment Disputes

We will pay Costs and Expenses to defend Your legal rights:

- 1.1) 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
- 1.2) in unfair dismissal disputes under the ACAS Arbitration Scheme; or
- 1.3) 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;

We will not pay a claim for the following:

- 1) unless equivalent legal expenses insurance was continuously in force before:
  - 1.1) any dispute where the originating cause of action arises within the first 90 days of the commencement of this Section
  - 1.2) 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 if the Date of Occurrence was within the first 180 days of the commencement of this Section and the dispute relates directly to the same matter(s) which gave rise to that warning;
  - 1.3) Any notice of redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the commencement of this Section
- 2) damages for personal injury
- 3) employee internal disciplinary or grievance procedures
- 4) pursuing Your legal rights

## 2 Compensation Awards

In respect of a claim We have accepted under insured incident 1 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:
  - 1.1) followed the ACAS Code of Disciplinary and Grievance Procedures; or
  - 1.2) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
  - 1.3) sought and followed advice from Our legal advice service (telephone 0344 893 0859)
- 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 0859)
- 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 Your Employees (telephone 0344 893 0859)
- 4) any sum of money in settlement of a dispute is awarded by a court, tribunal or through the ACAS Arbitration Scheme under a judgement made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing by Us.

Please note that the total amount payable by Us for all compensation awards and sums of money in settlement of a dispute, in aggregate and in any one Period of Insurance is £1,000,000

We will not pay a claim relating to the following:

- 1) any compensation award relating to the following:
  - 1.1) trade union activities, trade union membership or non-membership;
  - 1.2) pregnancy or maternity rights, paternity, parental or adoption rights;
  - 1.3) health and safety related dismissals

brought under section 44 of the Employment Rights Act 1996;

- 1.4) 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 National Minimum Wage legislation
- 4) a compensation award or increase in a 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.

### Employee Civil Legal Defence

We will pay Costs and Expenses to defend the Insured Persons (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.

We will only provide cover for an Insured Person (other than You) at Your request.

### Service Occupancy

We will pay Costs and Expenses to recover possession of premises owned by You or for which You are responsible from Your employee or ex-employee.

We will not pay any claim relating to defending Your legal rights other than defending a counter-claim that is an insured incident under this Section.

### Legal Defence

We will pay Costs and Expenses to defend the Insured Person's legal rights:

Provided that for each of the below sections of Legal Defence cover 1-6 You request Us to provide cover for the Insured Person.

#### 1. Criminal Pre-proceedings Cover

Prior to the issue of legal proceedings, when dealing with the Police, Health and Safety Executive and/ or Local Authority Health and Safety Enforcement Officer where it is alleged that the Insured Person has or may have committed a criminal offence.

Provided that:

For claims relating to Health and Safety at Work etc Act 1974 the Countries Covered shall be any place where the Act applies.

We will not pay any 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.

## 2. Criminal Prosecution Defence

Following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction

Provided that:

For claims relating to Health and Safety at Work etc Act 1974 the Countries Covered shall be any place where the Act applies.

We will not pay any claim relating to the following:

- 1) prosecution due to infringement of road traffic laws or regulations in connection with the ownership driving or use of a motor vehicle.

Please note for Legal Defence 1 Criminal Pre-Proceedings Cover and 2 Criminal Prosecution Defence We will only cover criminal investigations and/or prosecutions which arise in direct connection with activities of the Business as shown in the Schedule. Please see Section Cover, page XX

## 3. Data Protection and Information Commissioner Registration

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) A 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 claim.

Provided that:

In respect of 3(a) any sum of money in settlement of dispute is awarded by a court under a judgement made after full argument and otherwise than by consent of 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 3.

We will not pay any 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.

## 4. Wrongful Arrest

- 1) if civil action is taken against You for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance

## 5. Statutory Notice Appeals

- 1) in an appeal against the imposition or terms of any statutory notice issued under legislation affecting Your Business.

We will not pay any 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; or
- 2) a statutory notice issued by an Insured Person's regulatory or governing body.

## 6. Jury Service and Court Attendance

An Insured Person's absence from work:

- 1) to perform jury service
- 2) to attend any court or tribunal at the request of an Appointed Representative.

The maximum We will pay is the Insured Persons 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

We will not pay any claim relating to the following:

- 1) any claim if You or the Insured Person are unable to prove the loss.

## Contract Disputes

We will pay Costs and Expenses for 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

- 1) the amount in dispute exceeds £500 (incl. VAT).
- 2) If the amount in dispute exceeds £5,000 (incl. 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

- 3) 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
- 4) 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.

We will not pay any claim relating to the following:

- 1) a dispute arising from an agreement entered into prior to the start of this Section if the Date of Occurrence is within the first 90 days of the cover provided by this Section, unless equivalent legal expenses insurance was in force immediately before.
- 2)
  - 2.1) a dispute relating to an insurance policy, other than when Your insurer refuses Your claim
  - 2.2) the sale, purchase, terms of a lease, license or tenancy of land or buildings. However We will cover a dispute with a professional adviser in connection with these matters.
  - 2.3) a loan, mortgage, pension, guarantee or any other financial product and choses in action. However We will cover a dispute with a professional adviser in connection with these matters.
  - 2.4) 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 insured incident Employment Disputes and Compensation Awards.
- 4) a dispute which arises out of the:
  - 4.1) sale or provision of computer hardware, software, systems or services; or
  - 4.2) the purchase or hire of computer hardware, software, systems or services tailored by a supplier to Your own specification.

- 5) a dispute arising from a breach or alleged breach of professional duty by an Insured Person
- 6) the recovery of money and interest due from another party, other than disputes where the other party indicates that a defence exists.

## Property Protection

We will pay Costs and Expenses for:

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; or
- 2) a legal nuisance, meaning any unlawful interference with Your use or enjoyment of Your land, or some right over, or in connection with it; or
- 3) a trespass.

Please note You must have, or there must be reasonable prospects of establishing You have, the legal ownership or right to the physical property that is the subject of the dispute.

We will not pay any claim relating to the following:

- 1) a contract You have entered into (please refer to 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.
- 4) mining subsidence
- 5) defending Your legal rights but We will cover defending a counter-claim that is an insured incident under this Section
- 6) 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.
- 7) the enforcement of a covenant by or against You.

## Personal Injury

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.

We will not pay any 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 in a counter-claim
- 4) clinical negligence

## Tax Protection

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 as shown in the schedule.

We will not pay 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 or enquiries by, with or on behalf of HM Revenue and Customs Special Investigation Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit under Public Notice 160 or by the Revenue & Customs Prosecution Office.
- 4) any claim relating to import or excise duties and import VAT
- 5) any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

## Tenancy Disputes

We will pay Costs and Expenses in a civil dispute between You and Your landlord relating to premises leased or rented by You.

We will not pay any claim relating to the following:

- 1) the negotiation, review or renewal of the lease or tenancy agreement
- 2) a dispute arising from rent or service charges.

## Let Property

We will pay Costs and Expenses for:

### 1. Breach of the Tenancy Agreement

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 Let Property excluding repossession, recovery of money and dilapidations (please see 2 to 4 below)

### 2. Repossession

Obtaining possession of the Let Property, provided that, where appropriate, all statutory and contractual notices have been correctly served by You on the tenant

### 3. Recovery of Money Owed

Recovering money and interest due from a lease, licence or tenancy of the Let Property, including enforcement of judgment

Provided that:

- 1) the amount in dispute exceeds £250 (incl. VAT) and if it is rent that is owed, it must have been overdue for at least one calendar month
- 2) You have exhausted all Your credit control procedures before You report the claim
- 3) 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
- 4) 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
- 5) the other party does not intimate that a defence exists.

### 4. Dilapidations

A dispute relating to dilapidations to the Let Property Provided that:

- (a) the amount of the dilapidations exceeds £1,000
- (b) prior to the tenancy beginning, a detailed inventory, which notes the condition of all items on the inventory is prepared by You
- (c) after the tenant has vacated the Let Property a detailed Schedule of Dilapidations is prepared by You.

### 5. Nuisance

Defending any allegation of nuisance arising from the Let Property used solely for residential purposes.

### 6. Eviction of Squatters

Evicting anyone who is not Your tenant or ex-tenant from the Let Property 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.

We will not pay any claim relating to the following:

- 1) any dispute where the originating cause of action arises within the first 90 days of the start of this policy, unless equivalent legal expenses insurance was in force immediately before
- 2) A dispute arising from rent or relating to:
  - 2.1) the negotiation, review or renewal of the lease or tenancy agreement
  - 2.2) any matter relating to service charges
  - 2.3) any claim relating to registering rents, reviewing rents, buying the freehold of the Let Property or any matter that relates to rent tribunals, the leasehold valuation tribunal, land tribunals or rent assessment committees
- 3) 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.

## Statutory Licence Appeal

We will pay Costs and Expenses for 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 Registration.

We will not pay any claim relating to the following:

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

## Debt Recovery

We will pay Costs and Expenses for a dispute relating to the recovery of money and interest due from the sale or provision of goods or services, including enforcement of judgements.

Providing that:

- 1) the debt exceeds £500 (incl. VAT)
- 2) a claim is made within 90 days of the money becoming due and payable
- 3) We have the right to select the method of enforcement or to forego enforcing judgement if We are not satisfied that there are or will be sufficient assets available to satisfy judgement.

We will not pay any claim relating to the following:

- 1) any debt arising from an agreement entered into prior to the start of the policy if the debt is due within the first 90 days of the start of this Section, unless equivalent legal expenses insurance was in force before
- 2)
  - 2.1) the settlement payable under an insurance policy
  - 2.2) the sale, purchase, terms of a lease, licence or tenancy of land or buildings
  - 2.3) 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
  - 2.4) 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.

## Section Conditions

### Your Representation

- 1) 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.
- 2) 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, if You prefer, 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.

- 3) 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 DAS 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.
- 4) The Appointed Representative must co-operate with Us at all times and must keep Us up to date with the progress of the claim.

### Your Responsibilities

An Insured Person must:

- 1) co-operate fully with Us and the Appointed Representative;
- 2) give the Appointed Representative any instructions that We ask them to.

### Offers to Settlement a Claim

- 1) 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.
- 2) If an Insured Person does not accept a reasonable offer to settle a claim, We will not pay further Costs and Expenses.
- 3) 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.

### Assessing and Recovering Costs

- 1) an Insured Person must instruct the Appointed Representative to have Costs and Expenses taxed, assessed or audited if We ask for this.
- 2) 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 Us any amounts that are recovered.

### Cancelling an Appointed Representative's Appointment

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

### Withdrawing Cover

- 1) 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.
- 2) 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 and compensation awards We have agreed to, up to the date cover was withdrawn.

### Expert Opinion

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 Arbitration.

### Arbitration

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 arbitration service for eligible complaints. (Details available from [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)). If the dispute is not covered by the Financial Ombudsman Service there is a separate arbitration process available. 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 parties or one party may pay all the costs.

### Keeping to the Policy Terms

An Insured Person must:

- 1) keep to the terms and conditions of this Section
- 2) take reasonable steps to avoid and prevent claims
- 3) take reasonable steps to avoid incurring unnecessary costs
- 4) send everything We ask for in writing, and
- 5) report to Us full and factual details of any claim as soon as possible and give Us any information We need.

### Fraudulent Claims

We will, at Our discretion, void the policy (make it invalid) from the date of claim, or alleged claim, and/or We will not pay the claim if:

- 1) a claim the Insured Person has made to obtain benefit under this Section is fraudulent or intentionally exaggerated, or
- 2) a false declaration or statement is made in support of a claim.

### Claims Under This Policy By A Third Party

Apart from Us, You are the only person who may enforce all or any part of this Section 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.

### Other Insurances

If any claim covered under this Section is also covered by another policy or would have been covered if this Section did not exist, We will only pay Our share of the claim even if the other insurer refuses the claim.

### Law That Applies

This 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 Section include equivalent law in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

### Section Exclusions

We will not pay for the following:

#### 1) Late Reported Claims

any claim reported to Us more than 180 days after the date the Insured Person should have known about the insured incident.

#### 2) Costs We have not agreed

Costs and Expenses incurred before Our expressed acceptance.

#### 3) Court awards and fines

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 Employment Disputes and Compensation Awards, 2 Compensation Awards and Legal Defence.

#### 4) Legal action We have not agreed

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.

#### 5) Intellectual property rights

Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.

#### 6) Wilful acts

Any wilful act or omission of an Insured Person deliberately intended to cause a claim under this Section.

#### 7) Franchise or Agency Agreements

Any claim relating to rights under a franchise or agency agreement entered into by You

#### 8) A dispute with DAS

Any claim under this Section for a dispute with Us. For disagreements with Us about the handling of a claims refer to Section condition Arbitration.

#### 9) Shareholding or partnership disputes

Any claim relating to a shareholding or partnership share in the Business shown in the Schedule.

#### 10) Judicial review, coroner's inquest or fatal accident inquiry

Costs and Expenses arising from or relating to judicial review, coroner's inquest or fatal accident inquiry.

#### 11) Nuclear, war and terrorism risks

Any claim caused by, contributed to by, or arising from:

- 11.1) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
- 11.2) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;
- 11.3) 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 in the Terrorism Act 2000;
- 11.4) pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

#### 12) Bankruptcy

Any claim where either at the start of, or during the course of a claim:

- 12.1) You are declared bankrupt
- 12.2) You have filed a bankruptcy petition
- 12.3) You have filed a winding-up petition
- 12.4) You have made an arrangement with Your creditors
- 12.5) You have entered into a deed of arrangement
- 12.6) You are in liquidation

12.7) Part or all of Your affairs or property are in the care or control of a receiver or administrator.

### 13) Defamation

Any claim relating to written or verbal remarks that damage the Insured Person's reputation.

### 13) Litigant in person

Any claim where an **Insured Person** is not represented by a law firm, barrister or tax expert.

## Helpline Services

You can contact Our UK based call centre 24 hours a day, seven days a week during the Period of Insurance. 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 policy number and the DAS Scheme number, which is TS5/6923148 and the name of the insurance provider who sold You the policy.

### Legal Advice Service

Advice can be provided on any commercial legal problem affecting Your Business under 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 advisor. However, if this is not possible they will arrange a call back at a time to suit You.

Advice on the laws of England and Wales can be provided 24 hours a day, 7 days a week, 365 days a year. Beyond this jurisdiction, or for very specialist legal matters, We will refer You to one of Our specialist advisors.

Specialist advice is provided 9am – 5pm, Monday to Friday, excluding public and bank holidays. If calls are received outside of these times, we will arrange to call you back.

### Tax Advice Service

Advice can be provided on any tax matters affecting the Business, under UK law .

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

To contact the above services, phone us on 0344 893 0859 quoting Your policy number and the DAS Scheme number, which is TS5/6923148.

### Counselling Service

We will provide the Insured Person (including 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 services helpline is open 24 hours a day, seven days a week.

To contact the counselling helpline, please phone us on 0344 893 9012

We will not accept responsibility if the helpline services are unavailable for reasons that We cannot control.

## Access to Online Legal Documents and Guides

### Employment Manual

The DAS Employment manual offers comprehensive, up to date guidance on rapidly changing employment law. To view this, please visit [www.dasinsurance.co.uk/employment-manual](http://www.dasinsurance.co.uk/employment-manual)

If You'd like notification of when updates are made to the Employment Manual, please email Us at [employmentmanual@das.co.uk](mailto:employmentmanual@das.co.uk) quoting Your policy number and the DAS Scheme number, which is TS5/6923148.

### DAS Businesslaw

DAS Businesslaw contains a range of regularly updated business and legal guides, document builders, interactive checklists and videos that can help You with the day-to-day running of Your Business, as well as helping You to manage its exposure to legal risk.

DAS Businesslaw's document builders can help You quickly create documents such as:

- HR policies
- T&C documentation
- Privacy statements
- Copyright and trademark licences
- Data protection policy
- Employee contracts
- Debt recovery letters.

In addition, DAS Businesslaw contains hundreds of regularly updated expert guides and videos on topics such as branding, crowdfunding, financial and tax planning, and marketing strategy to help build and grow Your Business.

To get started

- 1) Visit [www.dasbusinesslaw.co.uk](http://www.dasbusinesslaw.co.uk);
- 2) Enter DASBRES100 into the 'voucher code' text box and press Validate Voucher;
- 3) Fill out Your name and email address, create a password, and specify what type of Business You have;
- 4) Validate Your email address by pressing the link in the confirmation email that You receive.

[www.county-insurance.co.uk](http://www.county-insurance.co.uk)



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