

# Residential Property Owners' Policy document



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# Data protection statement

Zurich takes the privacy and security of your personal information seriously. We collect, use and share your personal information so that we can provide policies and services that meet your insurance needs, in accordance with applicable data protection laws.

The type of personal information we will collect includes: basic personal information (i.e. name, address and date of birth), occupation and financial details, health and family information, claims and convictions information and where you have requested other individuals be included in the arrangement, personal information about those individuals.

We and our selected third parties will only collect and use personal information (i) where the processing is necessary in connection with providing a quotation and/or contract of insurance; (ii) to meet our legal or regulatory obligations; (iii) where you have provided the appropriate consent; (iv) for our 'legitimate interests'.

It is in our legitimate interests to collect personal information as it provides us with the information that we need to provide our services more effectively including providing information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest.

A full copy of our data protection statement can be viewed via [www.zurich.co.uk/dataprotection](http://www.zurich.co.uk/dataprotection)

## **How you can contact us**

If you have any questions or queries about how we use your data, or require a paper copy of the statement, you can contact us via [gbz.general.data.protection@uk.zurich.com](mailto:gbz.general.data.protection@uk.zurich.com) or alternatively contact our Data Protection Officer at Zurich Insurance, Unity Place, 1 Carfax Close, Swindon, SN1 1AP.

# Important notes

## Fraud prevention and detection

In order to prevent and detect fraud we may at any time:

- check your personal data against counter fraud systems
- use your information to search against various publicly available and third party resources
- use industry fraud tools including undertaking credit searches and to review your claims history
- share information about you with other organisations including but not limited to the police, the Insurance Fraud Bureau (IFB), other insurers and other interested parties.

If you provide false or inaccurate information and fraud is identified, the matter will be investigated and appropriate action taken. This may result in your case being referred to the Insurance Fraud Enforcement Department (IFED) or other police forces and fraud prevention agencies. You may face fines or criminal prosecution. In addition, Zurich may register your name on the Insurance Fraud Register, an industry-wide fraud database.

## Claims history

We may pass information relating to claims or potential claims to the Claims and Underwriting Exchange Register (CUE), where the data is controlled by the Motor Insurers' Bureau, and other relevant databases.

We and other insurers may search these databases when you apply for insurance, when claims or potential claims are notified to us or at time of renewal to validate your claims history or that of any other person or property likely to be involved in the policy or claim.

This helps to check information provided and prevent fraudulent claims.

## Employers' Liability Tracing Office (ELTO)

We are members of the Employers' Liability Tracing Office (ELTO), an independent industry body who maintains a centralised database that helps those who have suffered injury or disease in the workplace to identify the relevant Employers' Liability insurer quickly and efficiently.

It is important, for the services of ELTO to be fully effective, that you inform us of your ERN (Employer Reference Number also known as the Employer PAYE reference) and all subsidiary company names and their ERNs if applicable.

As members of ELTO we will forward details of your policy if it contains Employers' Liability cover to ELTO together with details of any ERNs you have supplied to us.

# Our complaints procedure

## **Our commitment to customer service**

We are committed to providing a high level of customer service. If you feel we have not delivered this, we would welcome the opportunity to put things right for you.

## **Who to contact in the first instance**

Many concerns can be resolved straight away. Therefore in the first instance, please get in touch with your usual contact at Zurich or your broker or insurance intermediary, as they will generally be able to provide you with a prompt response to your satisfaction.

Contact details will be provided on correspondence that we or our representatives have sent you.

## **Many complaints can be resolved within a few days of receipt**

If we can resolve your complaint to your satisfaction within the first few days of receipt, we will do so. Otherwise, we will keep you updated with progress and will provide you with our decision as quickly as possible.

## **Next steps if you are still unhappy**

If you are not happy with the outcome of your complaint, you may be able to ask the Financial Ombudsman Service to review your case.

We will let you know if we believe the ombudsman service can consider your complaint when we provide you with our decision. The service they provide is free and impartial, but you would need to contact them within 6 months of the date of our decision.

More information about the ombudsman and the type of complaints they can review is available via their website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

You can also contact them as follows:

**Post:** Financial Ombudsman Service, Exchange Tower, London, E14 9SR

**Telephone:** 08000 234567 (free on mobile phones and landlines)

**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

If the Financial Ombudsman Service is unable to consider your complaint, you may wish to obtain advice from the Citizens Advice Bureau or seek legal advice.

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

We are covered by the Financial Services Compensation Scheme (FSCS) which means that you may be entitled to compensation if we are unable to meet our obligations to you. Further information is available on [www.fscs.org.uk](http://www.fscs.org.uk) or by contacting the FSCS directly on 0800 678 1100.

# Guide to your policy

Thank you for taking our your Residential Property Owners' insurance policy with us and welcome to Zurich Insurance Company Ltd.

This policy is underwritten by Zurich Insurance Company Ltd and administered on our behalf by Gallagher.

Your new policy has been designed to meet the needs of the residential property owners market, and it's been written in plainer English which we hope will make it easier to understand. To help you find your way around your policy, we have produced the following short guide to the contents.

**General Definitions:** define words which have a special meaning wherever they are used in the policy. Definitions save us using or repeating long explanations in the middle of the policy wording.

**Section 1 Material Damage:** covers your physical assets to the extent that you have chosen. You can find sums insured and limits of your cover in the Schedule and Specification.

**Section 2 Property Owners' Liability:** covers your legal obligations to pay someone else, other than employees, for injury or damage to their property, caused by your business/association.

**Section 3 Employers' Liability:** covers your legal obligations to compensate an employee who is injured.

## General

Matters which apply to the whole policy, or to more than one section:

- **General exclusions**
- **General conditions**
- **Claims conditions** – what to do if you need to make a claim

**Endorsements:** not all of these will apply, but, where they do, they will be shown on the Schedule.

**Queries and Complaints Procedure:** what to do if you have a problem with this Policy or our service.

## Schedule and Specification

Attached to your Policy is the Schedule. This is a separate document so that an updated copy can be given to you whenever you change your individual circumstances.

**Schedule:** this specifies the particulars you have chosen and in addition, will show details of any special extensions and endorsements specially applicable to you and not included in the standard printed policy.

**Specification:** this sets out a summary of your particulars, such as your name and address, and which sections of the Policy are operative, sums insured and limits of liability.

# Your Residential Property Owners' policy

This policy is a contract between *you* and *us*.

This Policy and any Schedule, Endorsement and Certificate should be read as if they are one document.

We will insure *you* under those Sections stated in the Schedule during any period of insurance for which we have accepted *your* premium. *Our* liability will in no case exceed the amount of any Sum Insured or Limit of Indemnity stated in this Policy, the Schedule or any Endorsement to this Policy.

When *you* take out, renew and make changes to the cover provided by this Policy, *you* must take reasonable care to ensure that *you* accurately answer any questions which we ask of *you* and that any information *you* give *us* is accurate. If *you* are taking out this Policy for purposes which are wholly or mainly related to *your* trade, business or profession, *you* must also let *us* know about all facts which are material to *our* decision to provide *you* with insurance. Failure to meet these obligations could result in this policy being invalidated, a claim not being paid, or an additional premium being charged.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof.

Any heading in this policy is for ease of reference only and does not affect its interpretation.

## **Law applicable to this contract**

In the UK the law allows both *you* and *us* to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon *your* address stated in the Schedule. If there is any dispute as to which law applies it will be English law. The parties agree to submit to the exclusive jurisdiction of the English courts.

This is a legal document and should be kept in a safe place.

Please read this Policy and any Schedule, endorsement and Certificate carefully and if they do not meet *your* needs contact *us* or *your* broker or insurance intermediary.

# General definitions

Wherever the following words appear in the Policy in *italic letters* they will have the same defined special meaning attributed to them.

## ***Buildings***

The buildings at the *premises* including:

- a) landlords' fixtures and fittings, decorations and communal carpets including those within House Managers residential units and offices that were provided by the original builders and/or developers of the *premises*
- b) private garages, outbuildings, yards, forecourts, car parks, drives, pools, hard courts, patios, terraces, river walls, bridges, jetties and moorings
- c) i) roads and pavements, associated lamp posts and other street furniture  
ii) garden machinery, garden landscaping and paving, garden furniture, trees and plants but only to the extent of *your responsibility*
- d) walls, gates, fences, canopies, fixed signs, communication aerials and closed circuit surveillance equipment
- e) cesspits, septic tanks, piping, ducting, cables, wires and associated control gear and accessories on the *premises* and extending to the public mains, but only to the extent of *your responsibility*
- f) fixed glass or polycarbonate substitutes including mirrors, fixed glass in furniture, plate glass tops, ceramic hobs, solar glass heating panels, double-glazed units, intruder alarm foils and fixed sanitaryware for which *you* are responsible
- g) gymnasia used by *residents* for domestic and leisure purposes
- h) solar panels.

## ***Business***

*Your business* shown in the Schedule including:

- a) the ownership, organisation and/or management of the *buildings*
- b) maintenance of the *buildings*, plant and equipment.

In respect of Sections 2 and 3 only *business* also includes:

- c) *your sponsorship* of events or involvement in exhibitions, galas, carnivals, fetes or corporate hospitality.

## ***Claim***

A single loss or series of losses *due to* one occurrence which is insured by this Policy.

## ***Communicable Disease***

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

- a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and
- b) 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
- c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

## ***Contents of Common Parts***

Furniture, carpets, curtains, warden call pendants, office contents, equipment, other similar *property* and tenants' improvements, alterations and decorations within common areas of the *buildings* for which *you* are responsible but excluding computer systems software, data and records.

## ***Damage***

Loss or damage.

## ***Data Processing System***

Any computer or data processing equipment or media or microchip or integrated circuit or any similar device or any computer software or computer firmware.

### **Defined Peril**

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, theft or attempted theft, earthquake, subterranean fire, storm, tempest, flood, escape of water from any tank apparatus or pipe, sprinkler leakage, impact by any vehicle or by goods falling therefrom or animal.

### **Denial of Service Attack**

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

### **Due To**

Directly or indirectly caused by, resulting or arising from, in connection with.

### **Employee**

Anybody who is:

- a) under a contract of service or apprenticeship with *you*
- b) supplied to, hired or borrowed by *you* including persons undertaking study or work experience whilst employed or engaged by *you* in connection with the *business*.

### **Excess**

The amount for which *you* are responsible and which will be deducted from any payment under this Policy after the application of all other terms and conditions of the Policy.

### **Geographical Limits**

- a) The *territorial limits*
- b) elsewhere in the world in respect of:
  - i) any act or omission occurring within the *territorial limits*
  - ii) work undertaken by *you*, *your officers* or any *employee* who ordinarily reside in the *territorial limits*.

### **Goods**

Goods (including containers, packaging, labelling and instructions for use) which are not in *your* custody or control and which *you* have sold or supplied within the *territorial limits* in connection with the *business*.

### **Hacking**

Unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits, retrieves or receives data whether belonging to *you* or not.

### **Injury**

Bodily injury including illness, death, disease, mental injury or anguish and shock.

### **Nuclear Installation**

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 adapted for:

- a) the production or use of atomic energy
- b) the 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 radiation
- c) the 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 production or use of nuclear fuel.

### **Nuclear Reactor**

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.

### **Officer(s)**

Director(s) or partner(s) in the *business*.

**Pay**

Pay, reinstate, repair or replace at our option.

**Premises**

The premises shown in the Schedule.

**Principal**

Any party other than *your officers* or *employees* with whom *you* have undertaken work or the performance of a contract, agreement for work or provision of services (other than the sale or supply of *goods*) in connection with the *business*.

**Property**

Material property.

**Resident**

Any person who is the owner, lessee or occupier of any private dwelling or flat and any member of their family permanently living with them at the *buildings*.

**Territorial Limits**

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

**Virus or Similar Mechanism**

Program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations whether involving self-replication or not and including but not limited to Trojan horses, worms and logic bombs.

**We, us or our**

Zurich Insurance Company Ltd.

**You, your**

The person, people, company or other organisation shown in the Schedule as the Insured.

# Section 1 – Material damage

## Special Definitions

Wherever the following words appear in capital letters, e.g. DECLARED VALUE, within this Section they will have the same defined special meaning attributed to them.

### BODILY INJURY

Accidental injury not including sickness, disease or any naturally occurring condition or degenerative process or any gradually operating cause.

### DECLARED VALUE

The cost of REINSTATEMENT of the *property* insured at the inception of the Period of Insurance excluding inflationary factors that may operate subsequently adjusted to include where insured:

- a) the additional cost of REINSTATEMENT to comply with European Union legislation, statutory or local authority requirements
- b) professional fees
- c) debris removal costs.

### INSURED PERSON

Any *officers* or *your* authorised representative who is 16 years old or over but under 66 years old to whom *you* have entrusted MONEY.

### MONEY

Coinage, bank and currency notes, bills of exchange, cheques, girocheques, giro cash cheques, bankers drafts, national giro drafts, money orders, postal orders, national insurance stamps, national savings stamps, national savings certificates, all belonging to *you* or for which *you* have accepted responsibility and held in connection with the *business*.

### NON-NEGOTIABLE MONEY

Crossed cheques, crossed girocheques, crossed bankers drafts, crossed national giro drafts, crossed money orders, crossed postal orders, used national insurance stamps, national savings certificates.

### PERMANENT

That which in all probability will continue for the remainder of life.

### REINSTATEMENT

- a) Rebuilding or replacement of *property* which has been lost or destroyed.

Rebuilding or replacement may be carried out:

- i) in any manner to suit *your* requirements
- ii) upon another site

provided the amount payable by *us* is not increased

- b) the repair or restoration of *property* which has been partially damaged to a condition equivalent to, or substantially the same as but not better or more extensive than its condition when new.

### RENT

- a) Money paid or payable to *you* in the course of the *business* in respect of the *buildings* shown in the Schedule.

In respect of unoccupied *buildings* or portions of *buildings*, the money estimated to be paid or payable to *you* once the *buildings* or parts of them are let for accommodation.

- b) Service charges payable to *you* in the course of the *business* in respect of the *buildings* shown in the Schedule, but this shall exclude *your* contributions or costs relating to the upkeep of any gardens or grounds, buildings insurance premiums, any reserve or contingency funding for property maintenance, the repair or redecoration of communal areas or any extra-ordinary request for contributions on such matters relating to building defects, the replacement of cladding materials or alike.

## **RESIDENTIAL CONTENTS IN HOUSE MANAGER'S APARTMENT**

Furniture, furnishings, television, video and audio equipment and other household goods up to £25,000 including a maximum £500 in respect of clothing or personal effects owned by *you* or the House Manager or for which *you* are legally responsible and contained within the House Manager's residential flat/unit and also within the office at the premises but excluding:

- a) articles of gold, silver or other precious metals, jewellery or furs
- b) money, stamps, collections, certificates, cheques, securities or documents
- c) pets or livestock
- d) any amount exceeding £1,000 in respect of any one picture, curio or work of art.

## **TERRORISM**

a) In respect of any occurrence in England including the Channel Tunnel up to the frontier with the Republic of France as set out by the Treaty of Canterbury 1986, Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987, the Territorial Sea Act 1987 (Isle of Man) Order 1991, the Territorial Sea Act 1987 (Jersey) Order 1997 and Territorial Sea Act 1987 (Jersey) (Amendment) Order 2002:

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

b) in respect of any occurrence elsewhere than as described in a) above:

any act or preparation in respect of action or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto and which:

- i) involves violence against one or more persons
- ii) involves damage to property
- iii) endangers life other than that of the person committing the action
- iv) creates a risk to health or safety of the public or a section of the public
- v) is designed to interfere with or to disrupt an electronic system

c) any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation in respect of action or threat of action described in a) or b) above.

## **UNOCCUPIED**

Any *buildings* which have not been lived in for more than 30 consecutive days.

## **Cover**

Provided it is shown as insured in the Schedule and occurs at the premises we will pay for damage (unless it is excluded) to the *buildings*, *contents of common parts* and RESIDENTIAL CONTENTS IN HOUSE MANAGER'S APARTMENT by an Insured Peril.

## **Basis of Claims Settlement**

The following clauses will apply only in the settlement of a claim under this Section which has been accepted by *us* as valid.

## **Payment to Somebody other than You**

If *you* do not own the *property*, we will have the option to pay the owner of the *property* instead of *you*.

Provided always that:

- a) we conduct and control the claim
- b) the owner must observe, fulfil and be subject to the terms, exceptions and conditions of this Policy as far as they can apply.

The owner's receipt will be a discharge of the claim.

## **REINSTATEMENT Conditions**

Subject to the following Special Conditions the calculation of the amount payable following *damage* to the *buildings, contents of common parts* and RESIDENTIAL CONTENTS IN HOUSE MANAGER'S APARTMENT will be based on the REINSTATEMENT of the *property* affected including additional costs of REINSTATEMENT incurred solely to comply with European Union legislation or other statutory or local authority requirements.

### **Special Conditions (applicable only to claims payable under REINSTATEMENT Conditions)**

- 1 If *property* is only partially damaged we will not *pay* more than the amount which would have been payable if the *property* had been totally destroyed.
- 2 Any additional amount payable solely *due to* this REINSTATEMENT condition will be paid only if:
  - a) REINSTATEMENT starts and proceeds without unreasonable delay
  - b) the cost of REINSTATEMENT has been actually incurred
  - c) any other insurance which *you* effect or which is effected on *your* behalf in respect of the *property*, is on the same basis of REINSTATEMENT at the time of the *damage*.
- 3 We will not *pay* for:
  - a) the cost of complying with European Union legislation, statutory or local authority requirements:
    - i) where *damage*:
      - 1) occurred prior to the commencement of the Period of Insurance
      - 2) is not insured by this Policy
    - ii) where *you* have been served with a notice before the *damage* occurred
    - iii) which relates to undamaged parts of damaged *property* (except for the foundations of the parts of the *property* destroyed or damaged) other than up to a maximum of 20% of the total amount for which we would have been liable if the *property* had been totally destroyed
  - b) the amount of any charge or assessment *due to* capital appreciation which may be payable because of compliance with European Union legislation, statutory or local authority requirements.
- 4 REINSTATEMENT must be completed within 12 months of the *damage* occurring unless we agree a longer period.

## **Indemnity Settlement**

Where claims are payable as if the REINSTATEMENT conditions had not been incorporated the amount we will *pay* will be the value of the *property* sustaining *damage* at the time of its loss or destruction or the amount of the *damage*. All other terms and conditions of the Policy will apply except that the sums insured will be limited to 113% of the DECLARED VALUES stated in the Schedule.

## **Reinstatement to Match**

We will include the cost of replacement or modification of undamaged parts of the *buildings* that form part of a suite, common design or function where the *damage* is restricted to a clearly identifiable area or to a specific part.

Provided always that we will not *pay* more than half of the additional cost of the replacement or modification of the undamaged parts.

## **Additional cover applicable to Section 1**

We will *pay* for loss, cost or expense as undernoted incurred by *you* *due to* damage to *buildings, contents of common parts* or RESIDENTIAL CONTENTS IN HOUSE MANAGER'S APARTMENT *due to* an operative Insured Peril.

### **1 Action of Competent Authorities**

loss of RENT and/or the reasonable additional cost of comparable alternative accommodation *due to* action by the police or other competent local, civil or military authority following a danger or disturbance within a one mile radius of the premises whereby access thereto is prevented.

Provided always that:

- a) we will not *pay* for any claim incurred more than 3 months from the occurrence
- b) there will be no liability under this additional cover for loss resulting from interruption of the *business* during the first 4 hours of the occurrence
- c) our liability will not exceed £25,000 any one *claim* and in all in any one Period of Insurance

## 2 Alternative Accommodation and Loss of Rent

in the event of any DAMAGE as insured hereby resulting in a *building* insured hereby being uninhabitable or access being prevented to such property Section 1 includes for each dwelling:

- a) RENT; or
- b) the reasonable additional cost of comparable accommodation incurred by the lessee or owner for any *resident* including pets which normally live in the *building*; or
- c) a cash allowance not exceeding 25% of the amount payable under b) above

until the said property is habitable or accessible.

In addition we will *pay* the reasonable additional emergency costs and expenses incurred up to a maximum of £500 for each *resident*, tenant or house manager. The most we will *pay* in the first 14 days following damage is £250.

The most we will *pay* in respect of all dwellings within the premises is the percentage stated in the Schedule of the sum insured applicable to the *building* concerned in any one Period of Insurance. We will not pay for loss of rent of any sub-let demise within the *building*, other than for ground rent, for more than 12 months following DAMAGE, unless the whole *building* is destroyed or uninhabitable or where otherwise agreed by *us*.

In addition we will *pay* for reasonable additional costs of comparable alternative accommodation whilst any part of the *buildings* is uninhabitable as a result of works of a remedial nature are being carried out under a NHBC guarantee. The most we will *pay* is £25,000 any one *claim* and £100,000 in any one Period of Insurance.

We will not *pay*:

- i) any amount in excess of the limit stated in the Schedule of the Sum Insured on damaged *buildings*
- ii) costs which may cease or be reduced as a result of the *damage*
- iii) any claim in respect of tenancy agreements of less than 6 months

## 3 Architects', Surveyors', Legal and Consulting Engineers' Fees

architects', surveyors', legal and consulting engineers' fees, necessarily and reasonably incurred but excluding any fees for preparing a claim

## 4 Buildings (including individual residences) Awaiting Sale

if at the time of *damage* due to an operative Insured Peril you had contracted to sell *your* interest in the *buildings* or that part of which *you* own and the sale is cancelled or delayed solely due to the *damage* either:

- a) during the period prior to the date upon which but for the *damage* the *buildings* would have been sold the loss of RENT you have suffered, this being the actual amount of the reduction in the RENT receivable by *you* within 12 months of the *damage*; or
- b) during the period commencing with the date upon which but for the *damage* the *buildings* would have been sold and ending with the actual date of sale or within 12 months of the date of the *damage* if earlier the loss in respect of interest being:
  - i) the actual interest incurred on capital borrowed (solely to offset in whole or in part the loss of use of the sale proceeds).
  - ii) the investment interest lost to *you* on any balance of the sales proceeds

less any amount receivable in respect of RENT.

With *our* consent any costs being the costs necessarily and reasonably incurred within 12 months of the *damage* solely to avoid or minimise what we will *pay* under a) and b) above

## 5 Clearing of Drains

costs and expenses which *you* incur with *our* consent to clean and/or clear drains and/or sewers and/or gutters which *you* own or for which *you* are responsible

## 6 Concern for Welfare Costs

costs incurred following *damage* caused by the police or persons acting under their control in gaining access to the *buildings* as a result of their concern for the welfare of the *resident*.

We will not *pay*:

- a) more than £5,000 any one *claim* and £15,000 in any one Period of Insurance
- b) for costs incurred following *damage* caused by the police in the course of criminal investigations

## 7 Cost of Re-letting

costs necessarily and reasonably incurred in re-letting the *buildings* solely due to *damage*.

We will not pay more than £5,000 in any Period of Insurance

## 8 Deeds and Documents

the cost of materials and clerical labour to rewrite deeds and documents relating to the ownership and/or management of the *premises* due to *damage* to the deeds and documents occurring at the *premises* or whilst held in safekeeping by a bank or solicitor.

We will not pay more than £500 any one *claim*

## 9 Emergency Services

costs and expenses which *you* incur with *our* consent in making good *damage* to *buildings* including landscaped gardens caused by emergency services but excluding:

- a) the cost of soil movement other than necessary for surface preparation
- b) the failure of seeds to germinate or trees, shrubs or turf to become established following replanting

## 10 Eviction of Squatters

costs and expenses necessarily and reasonably incurred with *our* prior consent to remove or evict squatters from the *buildings*.

Provided always that:

- a) we will not pay:
  - i) fines, penalties, compensation or damages arising in the course of removal or eviction
  - ii) due to occupation of squatters occurring prior to the inception of this cover
- b) our liability will not exceed £100,000 any one *claim*
- c) such loss is not otherwise insured

## 11 Exceptional Measures

costs up to £50,000 which *you* incur with *our* consent in taking reasonable but exceptional measures to avoid or mitigate a valid *claim* under this Section.

Provided always that:

- a) the potential *claim* could not have been reasonably foreseen
- b) the terms and conditions of this Section will apply as if *damage* had occurred
- c) we will not pay for any costs incurred beyond an initial 7 days unless otherwise agreed in writing by *us*

## 12 Fire Brigade Attendance Fees

the attendance fees of the fire brigade for which *you* are liable where such fee is required as a result of the fire brigade being called to the *buildings* due solely to a lift malfunction.

We will not pay more than £5,000 any one *claim*

## 13 Fire Extinguishment Expenses

the reasonable costs incurred by *you* for:

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

due to *damage* to your *property* at the *premises*

#### **14 Fly Tipping**

for costs necessarily and reasonably incurred in cleaning up and removing any *property* due to it being illegally deposited in, on or around the *premises*.

Provided always that:

- a) we will not pay for the first £1,000 of each and every *claim*
- b) we will not pay more than £25,000 any one *claim* or in all in any one Period of Insurance at each *premises*

#### **15 House Manager's Loss of Money**

the amount of any loss in the event of:

- a) physical *damage* to MONEY as detailed below from any cause which is not excluded:
  - i) physical *damage* to NON-NEGOTIABLE MONEY occurring within the *territorial limits*
  - ii) physical *damage* to other MONEY whilst in transit and entrusted to *your officers* or authorised representative or whilst in the private residence of *your officers* or authorised representative all within the *territorial limits*
- b) accidental *damage* as a direct result of robbery or attempted robbery of MONEY to:
  - i) the personal effects of *your officers* or authorised representative
  - ii) any security case, bag or other specially designed container for the carriage of MONEY.

Provided always that the most we will pay any one *claim* is in respect of a) i) £250,000 and in respect of each of a) ii), b) i) and b) ii) £250.

We will not pay for any loss:

- i) arising from error or omission in receipts, payments, accounting practices or depreciation in value
- ii) due to fraud or dishonesty on the part of any of *your officers* or authorised representative unless such loss is discovered within 14 days of the act of fraud or dishonesty
- iii) of MONEY in excess of £100 from an unattended vehicle
- iv) of MONEY in the mail other than sent by special delivery

#### **16 Legionellosis**

loss of RENT and/or the reasonable additional cost of alternative accommodation due to any outbreak of Legionellosis at the *premises* causing restrictions on the use thereof on the order or advice of the competent local authority.

We will not pay:

- a) for *claims* not solely attributable to an outbreak at the *premises*
- b) for any costs incurred in cleaning, repair, replacement or checking of *property* other than costs and expenses not exceeding £25,000 in any one Period of Insurance necessarily incurred with *our* consent in cleaning and decontamination of the air-conditioning or water supply equipment at the *premises* the use of which has been restricted on the order or advice of the competent local authority
- c) for any claim for loss of RENT and/or alternative accommodation costs incurred more than 3 months from the date of the outbreak
- d) if you are at the time of the outbreak in breach of *your* statutory obligations in respect of the control of Legionellosis.

The most we will pay is £25,000 any one *claim* and in all in any one Period of Insurance after the application of all other terms and conditions of this Policy

#### **17 Loss of Domestic Heating Oil**

loss of domestic heating oil due to its physical *damage* up to £5,000 any one *claim*

#### **18 Managing Agents**

*property* at the premises of any managing agents employed or engaged to collect RENT.

Provided always that:

- a) such RENT is not paid to you as a direct result of the *claim*
- b) the RENT is not outstanding for 120 days in excess of its due date
- c) all reasonable steps to recover the RENT are taken
- d) such RENT is not recoverable under any other policy
- e) the most we will pay is 20% of the sum insured on *buildings*

## 19 Metered Utilities

loss of metered water, gas or electricity following *damage* resulting in a water, gas or electricity charge which you are unable to recover from any other party.

We will not pay more than £75,000 any one *claim*

## 20 Named Diseases, Vermin, Defective Sanitary Arrangements, Murder and Suicide

loss of RENT and/or the reasonable additional cost of alternative accommodation *due to*:

- a) i) any occurrence of a Named Disease (as defined below) at the *premises* or attributable to food or drink supplied from the *premises*
  - ii) any discovery of an organism at the *premises* likely to result in the occurrence of a Named Disease
- b) the discovery of vermin or pests at the *premises*
- c) any accident causing defects in the drains or other sanitary arrangements at the *premises* which causes restrictions on the use of the *premises* on the order or advice of the competent local authority
- d) any occurrence of murder or suicide at the *premises*.

Provided always that:

- i) Named Disease shall mean illness sustained by any person resulting from:
  - 1) food or drink poisoning; or
  - 2) one of the following specified human infectious or human contagious diseases

Acute encephalitis	Leptospirosis	Paratyphoid fever	Tuberculosis
Acute poliomyelitis	Malaria	Rabies	Typhoid fever
Bubonic plague	Measles	Relapsing fever	Typhus fever
Cholera	Meningitis	Rubella	Viral haemorrhagic
Diphtheria	Meningococcal infection	Scarlet fever	Viral hepatitis
Dysentery	Mumps	Smallpox	Whooping cough
Leprosy	Ophthalmia neonatorum	Tetanus	Yellow fever

an outbreak of which the competent local authority has stipulated shall be notified to them

- ii) we will not pay:
  - 1) for the costs of cleaning, repair, replacement, recall or checking of *property* or *premises*
  - 2) for *claims* not solely attributable to occurrence, discovery or outbreak at the *premises*
  - 3) for any claim for loss of RENT and/or alternative accommodation costs incurred more than 3 months from the occurrence, discovery or outbreak
  - 4) where you do not take all reasonable steps to prevent the occurrence of disease, infection, pests or vermin or to maintain all drains, sanitary arrangements and air conditioning in efficient condition
- iii) the most we will pay is £25,000 any one *claim* and in all in any one Period of Insurance

## 21 Personal Accident Assault

compensation in accordance with the Event Limits stated below if an INSURED PERSON sustains BODILY INJURY due to robbery or attempted robbery of MONEY.

### Event Limits

BODILY INJURY which is the sole and direct cause of:

Limit of Liability

1 death	£10,000
2 loss or loss of use of one or more limbs at or above the wrist or ankle	£10,000
3 loss or loss of use of one or both eyes	£10,000
4 PERMANENT total disablement from paid work of any kind	£10,000
5 temporary disablement from usual paid work of any kind	£100 per week

Provided always that:

- a) Compensation will only become payable provided death or loss occurs or disablement commences within 104 weeks of the date of the BODILY INJURY.
- b) No compensation will be payable in respect of any one INSURED PERSON under more than one of Event Limits 1 to 4 due to the same accident.
- c) All sums paid under Event Limit 5 will be deducted from any sums becoming payable under Event Limits 1, 2 or 3 in respect of the same accident to the same INSURED PERSON.
- d) If we are satisfied that disablement is total and PERMANENT Event Limit 4 will become payable when Event Limit 5 is exhausted.
- e) We will not pay under Item 5 for a longer period than 104 weeks from the date of sustaining the BODILY INJURY.
- f) We will not pay under Event Limit 5 unless the INSURED PERSON entitled to compensation:
  - i) places themselves as soon as practicable under the care of a qualified medical practitioner whose advice they must follow; and
  - ii) submits to medical examination at *our* expense as often as required by *us*

## **22 Prevention of Access**

loss of RENT and/or the reasonable additional cost of comparable alternative accommodation *due to damage* by an operative Insured Peril to *property*:

- a) within a one mile radius of the *buildings* which prevents or hinders their use or access to them whether the *buildings* are damaged or not
- b) at the *buildings* of your Managing Agents in the *territorial limits*.

We will not pay:

- i) for any claim for loss of RENT and/or alternative accommodation costs incurred more than 3 months from the occurrence
- ii) any amount in excess of 20% of the Sum Insured on *buildings* to which use or access is prevented or hindered or £25,000 any one *claim* and in all in any one Period of Insurance, whichever is the lesser
- iii) for *damage to the property* of any supply undertaking which prevents or hinders the supply of electricity, gas, water or telecommunications to the *buildings*
- iv) for any *claim* where the prevention or hindrance of access or use is less than 4 hours' duration

## **23 Public Utilities**

loss of RENT and/or the reasonable additional cost of comparable alternative accommodation *due to access to or use of buildings* being hindered or prevented *due to damage* by an Insured Peril to *property* at any:

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

from which the *buildings* obtain electricity, gas, water or telecommunication services. We will not pay any amount in excess of 20% of the Sum Insured on *buildings* to which the Public Utilities supply is affected or £25,000 any one occurrence and in all in any one Period of Insurance, whichever is the lesser.

We will not pay for any claim for loss of RENT and/or alternative accommodation costs incurred more than 12 months from the occurrence

## **24 Removal of Debris**

costs and expenses necessarily incurred by *you* with *our* consent in:

- a) removing debris including costs of removal of debris relating to a tenant's contents, including any residents' contents within residential portions of *buildings* provided such costs are not recoverable from another source
- b) dismantling and/or demolishing and/or shoring or propping up
- c) boarding up of windows and doors
- d) weatherproofing

of the portion or portions of the *property* insured by the said items destroyed or damaged

## 25 Removal of Nests

the cost of removing wasps' or bees' nests from the *buildings*.

We will not pay:

- a) more than £1,000 any one *claim* nor more than £5,000 in any Period of Insurance
- b) the costs of removing nests already in the *buildings* before the inception of this Policy

## 26 Replacement of Keys and Resetting of Digital Locks

up to £10,000 any one *premises* to replace locks to the doors of the *buildings* following accidental *damage* to keys or resetting of digital lock within the *territorial limits* where there is reasonable evidence that such keys or digital locks have been copied by an unauthorised person

## 27 Trace and Access

costs and expenses which *you* incur with *our* consent to locate the source of *damage* to the *buildings* due to an escape of water, including subsequent repair to walls, floors or ceilings.

We will not pay more than £100,000 any one *claim*

## 28 Tree Felling and Lopping

the cost of removing or lopping trees which are an immediate threat to the safety of life or *property*.

We will not pay:

- a) more than £5,000 any one *claim* and £10,000 in any one Period of Insurance
- b) legal or local authority costs involved in removing trees
- c) costs incurred solely to comply with any Preservation Order

## 29 Tree Removal

the cost of removing fallen trees or branches from the *premises*.

We will not pay:

- a) more than £5,000 any one *claim* and £10,000 in any one Period of Insurance
- b) unless the *claim* is *due* to an operative Insured Peril

## 30 Unauthorised use of Electricity, Gas, Oil or Water

for cost of metered electricity, gas, oil or water for which *you* are legally responsible arising from its unauthorised use by persons taking possession, keeping possession or occupying the *premises* without *your* authority provided always that all practical steps are taken to terminate such unauthorised use as soon as it is discovered.

The most we will pay is £5,000 for any one *claim*.

## Extensions applicable to Section 1

This insurance extends to include:

### 1 Bailor's Goods

*damage* to goods in the custody and control of *you* and for which *you* are legally liable as bailor whilst situate within the *premises* in so far as such goods are not otherwise insured.

Provided always that we will not pay:

- a) in respect of *damage due to* theft or any attempt thereat of gold, silver, precious stones, precious metals, bullion, furs, curiosities, works of art, rare books, audio visual goods, computer equipment, cameras, jewellery or money
- b) in respect of unaccountable losses
- c) unless a signed inventory is issued to the *resident* as soon as a repossession takes place.

The most we will pay is £50,000 any one *claim*

## 2 Capital Additions

alterations, additions and extensions to existing *buildings* and newly acquired or newly erected *buildings* which you have not told *us* about.

Provided always that:

- a) *you tell us about them as soon as you can but not later than 6 months after you become responsible for them*
- b) *you effect specific insurance from the time you become responsible for them*
- c) *we will not pay:*
  - i) *more than 20% of the buildings' DECLARED VALUE or £5,000,000 whichever is the lesser*
  - ii) *for appreciation in value.*

This Extension does not apply to *buildings*:

- i) *for which you have been responsible for more than 6 months*
- ii) *which are otherwise insured*

## 3 Contract All Risks

*damage to materials or supplies at the premises for use in any refurbishment work or extensions being undertaken on the buildings.*

We will not pay for damage:

- a) *where the contract value exceeds £1,000,000*
- b) *where more specific insurance is in force*

## 4 Contractors' Interest

where you are required to effect insurance on the *buildings* in the joint names of *yourselves* and the contractor under the terms of a contract condition then the interest of the contractor in the *buildings* as a joint insured is hereby noted subject to any single contract valued in excess of £1,000,000 being advised to *us* and an additional premium being paid as appropriate

## 5 Contracting Purchaser's Interest

the interest of any person to whom *you* have contracted to sell *your* interest in *buildings* insured by this Section.

This Extension will not prejudice *your* rights or *our* rights and will not operate:

- a) *if the property is otherwise insured by or on behalf of the contracting purchaser*
- b) *after completion*
- c) *if the purchase is not completed*

## 6 Cyber Extension

notwithstanding the Electronic Risks exclusion applicable to Section 1 in the event that *your building management systems* are subject to a *cyber event* during the Period of Insurance we will indemnify *you* against the costs and expenses *you* incur with *our* consent to reinstate them.

Provided always that:

- a) *the most we will pay is £50,000 any one claim and in all in any one Period of Insurance*
- b) *we will not pay in respect of:*
  - i) *intentional acts or fraud on the part of any of your authorised representatives*
  - ii) *costs or expenses to correct defective systems, procedures or software where you were aware of the existence of defects, deficiencies or vulnerability to attack prior to the cyber event*
  - iii) *costs or expenses arising directly or indirectly from the use of illegal or unlicensed software*
  - iv) *costs or expenses arising from any confiscation, requisition, expropriation, appropriation, seizure or destruction of property by or under the order of any government or public or local authority, or any order by such authority to take down, deactivate or block access to your computer systems and/or building management systems*
  - v) *costs or expenses arising from any order from any government or public or local authority to take down, deactivate or block access to your computer systems and/or building management systems*
  - vi) *costs or expenses arising from a peril otherwise excluded under this Policy*

regardless of any other cause or event contributing concurrently or in any other sequence to the loss insured hereby

c) it is a condition precedent to *our* liability under this Extension that *you* take all reasonable steps to safeguard *your building management systems* against *cyber events*.

Notwithstanding the number of separate named insureds *our* aggregate liability under this Policy to such insureds jointly and severally shall be the same amount as if there were only one insured party and such amount shall not exceed £250,000. The same occurrences or other aggregating provisions across any of the insureds suffering loss from such occurrences shall be deemed to be single occurrence.

For the purposes of this Extension:

- i) '*building management systems*' means all physical infrastructure insured hereby and attending electronic systems and *computer systems* *you* own and operate for the purpose of managing the normal operations of a building insured hereby, impairment to which results in an unavoidable reduction in utility for its occupants. Such services include but are not limited to:
  - 1) readings of the public utility services of water, gas, electricity and telecommunications
  - 2) heating, ventilation and air conditioning
  - 3) lighting
  - 4) security
  - 5) fire detection
  - 6) lift and other mobility services
  - 7) monitoring/dashboard functionality
- ii) '*cyber event*' means *denial of service attack* and/or *hacking* and/or *virus or similar mechanism* resulting via *your* computer networks, internet enabled devices or *computer systems* in damage to or impairment of *your building management systems*
- iii) '*reinstate*' means the reasonable costs and expenses to repair, replace or restore *your building management systems* to the condition that existed immediately prior to the *cyber event*. *We* will not pay such costs to improve *your building management systems* beyond the condition that existed immediately prior to the *cyber event* unless such costs are for standard technological advancements thereto
- iv) '*computer systems*' means *your* computer hardware and equipment including associated input and output devices, data storage devices, networking equipment, components, file servers, data processing equipment, computer memory, microchips, microprocessors (computer chips), integrated circuits or similar devices in computer equipment

## 7 Energy Performance and Sustainable Buildings

the insurance under *buildings* includes:

- a) the additional cost of reinstatement incurred with *our* prior written consent to comply with the recommendations made under any current Energy Performance Certificate in respect of the lost, destroyed or damaged *property* insured
- b) the additional cost of reinstatement incurred with *our* written consent to reinstate the lost, destroyed or damaged *property* to a standard above the minimum required under the prevailing European Community or building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority where such standard would otherwise result in a recommendation for improvement to be made in a subsequent Energy Performance Certificate assessment
- c) the reasonable additional cost of reinstatement incurred with *our* written consent arising from the use of alternative materials or sources of materials in accordance with the principles of the BRE Environmental and Sustainability Standard.

Provided always that:

- i) *we* will not be liable for any undamaged portions of the *building*
- ii) *we* will not be liable for the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the *building* or by the owner thereof by reason of the works funded by the application of this clause
- iii) *we* will not be liable for the cost incurred in complying with prevailing European Community or building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority under which notice has been served upon the policyholder prior to the happening of the DAMAGE
- iv) *our* obligation under any item of this Policy other than this Extension is reduced by the application of any of the terms and conditions of this Policy then *our* liability under this Extension in respect of any such item will be reduced in like proportion.

The most *we* will pay is £50,000 any one *claim* and in all in any one Period of Insurance

## 8 **Munitions of War**

General Exclusion 3 Nuclear and War Risks, Government or Public Authority and Sonic Bangs will not apply to DAMAGE or CONSEQUENTIAL LOSS occasioned by the detonation of munitions of war or parts thereof within 1000 metres of the *premises* provided always that the presence of such munitions does not result from a state of war current at the time of detonation

## 9 **Sink Holes**

in the event of any damage to land at the *premises*, where such damage has not occurred to the buildings, caused by the sudden and unexpected opening up of a depression or hole in the ground following the collapse of the surface layer but excluding damage:

- a) arising from the movement of made up ground or fill material
- b) arising from fracking activities
- c) arising from ongoing subterranean human activity
- d) arising from construction activities at the premises
- e) predating or in evidence at the start of the Period of Insurance

we will pay costs and expenses under this Extension to rectify such damage but not exceeding more than £25,000 for any one *claim*

## 10 **Storm and Flood – Protection**

in the event of DAMAGE to *buildings* caused by Storm or Flood the additional costs of reinstatement incurred with our prior written consent in the utilisation of PAS 1188 (or similar or replacement standard) approved products or other appropriate products methods or schemes including specialist consultant fees for the purposes of providing protection against future DAMAGE by:

- a) Flood
- b) the escape of water from the normal confines of or the backing-up of drains and sewers
- c) inundation from water run-off from adjacent land.

The most we will pay is £2,500 any one *claim* and in all in any one Period of Insurance

## 11 **Storm and Flood – Resilience**

in the event of DAMAGE to the *buildings* the additional costs of reinstatement incurred with our prior written consent in:

- a) utilisation of materials with improved water resilience
- b) the relocation within the same building of replacement landlords' fixtures and fittings insured under this Policy to an area of reduced exposure to loss or damage by water arising from Storm and Flood.

The most we will pay is £2,500 any one *claim* and in all in any one Period of Insurance

## 12 **Temporary Removal**

your property otherwise insured under this Section within the *territorial limits* whilst temporarily removed from the *premises*. We will not:

- a) pay more than £10,000 any one *claim*
- b) pay under this Extension in respect of damage to MONEY.

# **Conditions applicable to Section 1**

## 1 **Automatic Fire Alarm Installation**

Where an automatic fire alarm installation is installed and your responsibility you must:

- a) carry out the testing and checking requirements referred to on the completion certificate and remedy promptly any defects
- b) carry out the maintenance procedures specified by the manufacturers of the equipment
- c) notify us immediately of any disconnection or failure likely to leave any area unprotected for more than 12 hours
- d) record details of all events such as alarms, faults, tests, maintenance and disconnections and keep them in case we wish to examine them.

## **2 Automatic Reinstatement following Loss**

The DECLARED VALUE of any item will not be reduced by the amount of any claim provided always that:

- a) you pay the appropriate premium to reinstate the DECLARED VALUE from the date of the loss
- b) you undertake to implement without delay any additional protections which we may require for the further security of the *buildings*
- c) you or we have not given written notice to the contrary.

## **3 Contribution**

If any other insurance covers the same *damage* we will not pay more than *our* rateable proportion of any *claim*.

## **4 Fire Extinguishing Appliances**

Fire extinguishing appliances must be inspected regularly and any defects must be promptly remedied.

## **5 Inflation Protection**

Unless *you* give *us* written notice to the contrary, we will adjust the DECLARED VALUE at each renewal of this Policy in accordance with the Royal Institution of Chartered Surveyors Home Rebuilding Cost Index and calculate the annual premium on the adjusted DECLARED VALUE.

## **6 Intruder Alarm Protection**

Any intruder alarm system(s) for which *you* are responsible must be:

- a) installed in accordance with the installer's specification. No alteration or variation of the system(s) or any structural alteration to the *buildings* which would affect the system(s) may be made without *our* written consent
- b) kept in full and efficient working order at all times and serviced under a maintenance contract
- c) tested and set whenever the alarmed part of the *buildings* is closed or not attended by *you* or by any person *you* have authorised to be responsible for the security of the *buildings* *you* must tell us immediately if *you* receive a notice from the:
  - i) police or a security organisation saying that the system(s) signals will be disregarded or their response downgraded
  - ii) Local Authority or a Magistrate of any requirement imposed under the Environmental Protection Act or other legislation which requires modification of the system(s).

## **7 Mortgagees and Lessors**

Any increase in the risk of *damage* due to any act or neglect of any mortgagor, leaseholder, lessee or occupier of any *buildings* will not prejudice the interest of any mortgagee, freeholder or lessor provided the increase in risk is without their prior knowledge or authority and we are notified immediately they become aware of the increase in risk and pay any additional premium.

## **8 Non Invalidation**

This insurance will not be invalidated by anything which increases the risk of *damage* provided always that:

- a) it is without *your* authority or knowledge or beyond *your* control
- b) *you* tell us as soon as *you* become aware of the increased risk of *damage*
- c) *you* pay any additional premium.

## **9 Other Interests**

The interest of any freeholder, mortgagee, lessor, heritable creditor 'Primo Loco' or 'Secundo Loco' or similar party is noted. The nature and extent of such additional interests must be disclosed immediately following *damage* which is the subject of any claim.

## **10 Repairs and Alterations**

Repairs or minor structural alterations may be made to the *buildings* without affecting the insurance under this Section.

## **11 Security Protections**

All devices for the protection of the *buildings* must be kept in good working order.

## **12 Tenant's Subrogation Waiver**

Following *damage* to any *buildings* insured we will waive any rights, remedies or relief to which we may become entitled by subrogation against any tenant of the *buildings* provided always that:

- a) the *damage* did not result from a criminal, fraudulent or malicious act of the tenant
- b) the tenant contributes to the cost of insuring the *buildings* against the peril which caused the *damage*.

## **13 Unoccupied Buildings**

If UNOCCUPIED buildings are covered under this Section you must:

- a) turn off all mains services (except the electricity supply to maintain any fire or intruder alarm system) and completely drain the water system
- b) inspect the building internally and externally and remove waste at intervals of no more than 7 days
- c) take reasonable steps to prevent accumulations of mail
- d) secure the building against unlawful entry by closing and locking doors and windows and setting any security and alarm systems
- e) pay the first £500 of each *claim* for *damage* to UNOCCUPIED buildings *due to* malicious persons, storm, flood, water *damage*, theft or accidental *damage*.

## **Insured Perils (applicable only if shown as insured in the Schedule)**

### **1 Fire, Smoke, Lightning, Thunderbolt and Explosion**

- a) Fire.
- b) Smoke but excluding any gradually operating cause.
- c) Lightning and/or thunderbolt.
- d) Explosion.

### **2 Aircraft**

Aircraft or other aerial devices or articles dropped therefrom.

### **3 Riot, Civil Commotion, Strikers, Locked-out Workers**

Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances.

### **4 Malicious Persons**

Malicious persons excluding *damage*:

- a) caused by *you, your officers, or an employee*
- b) caused by a *resident* to the portion of the *buildings* in which they reside
- c) to garden landscaping and paving, garden furniture, trees and plants except that we will *pay* for the first £1,000 of any such *damage*.

### **5 Earthquake**

Earthquake.

### **6 Subterranean Fire**

Subterranean Fire.

### **7 Spontaneous Fermentation/Heating**

Fire only, resulting from the *buildings*' own spontaneous fermentation or heating.

### **8 Storm or Flood**

Storm or flood excluding *damage*:

- a) attributable solely to change in the water table level other than for an amount of any loss of less than £1,000,000 and subject to an excess of £2,500
- b) caused by frost, subsidence, ground heave or landslip
- c) to garden landscaping and paving, garden furniture, trees and plants except that we will *pay* for the first £1,000 of any such *damage*.

**9 Water Damage**

Escape of water from or freezing of water in any fixed water installation.

**10 Impact**

Impact by any road vehicle, marine vessel or animal or train excluding *damage* by insects or pets. The most we will pay for *damage* caused by impact by marine vessel is £500,000.

**11 Escape of Oil**

Escape of oil from a fixed oil-fired heating installation.

**12 Breakage or Collapse of Communication Aerials**

Breakage or collapse of communication aerials.

**13 Theft**

Theft or attempted theft excluding *damage*:

- a) by *you, your officers, or an employee*
- b) caused by a *resident* to the portion of the *buildings* in which they reside
- c) to garden landscaping and paving, garden furniture, trees and plants.

**14 Subsidence**

Subsidence or ground heave of any part of the site on which the *buildings* stand, or landslip excluding *damage*:

- a) caused by or consisting of:
  - i) the normal settlement or bedding down of new structures
  - ii) the settlement or movement of made up ground
  - iii) coastal or river erosion
  - iv) defective design or workmanship or the use of defective materials
  - v) fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- b) caused by the movement of solid floor slabs unless the foundations beneath the external walls of the *buildings* are damaged at the same time and from the same cause
- c) which originated prior to the inception of this cover
- d) resulting from:
  - i) demolition, construction, structural alteration or repair of any *property*; or
  - ii) groundworks or excavation at the *premises*.

**15 Accidental Damage**

Accidental *damage* excluding:

- a) *damage due to* or excluded under any other Insured Peril whether shown as operative on the Policy Schedule or not
- b) *damage due to* or consisting of:
  - i) inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table, faulty or defective design or materials
  - ii) faulty or defective workmanship, operational error or omission on *your* part or the part of any *officer, employee or resident*

but this will not exclude subsequent *damage* to *buildings* which itself results from a cause not otherwise excluded

- c) *damage due to* or consisting of:
  - i) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, vermin or insect, marring or scratching
  - ii) change in temperature, colour, flavour, texture or finish
  - iii) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
  - iv) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which the breakdown or derangement originates

but this will not exclude subsequent *damage* to *buildings* which itself results from a cause not otherwise excluded

- d) *damage due to* disappearance, unexplained or inventory shortage, misfiling or misplacing of information
- e) *damage to buildings* or structures in course of construction or erection and materials or supplies connected with them
- f) the cost of maintenance or routine decoration
- g) *damage to* garden landscaping and paving, garden furniture, trees and plants.

## **Exclusions applicable to Section 1**

This Section does not cover:

### **1 Building Collapse/Cracking**

loss or damage to the *buildings due to* the structure's own collapse or cracking

### **2 Consequential Loss**

consequential loss of any kind or description not specifically provided for in this Section

### **3 Electrical Plant**

loss or damage to electrical plant, apparatus or fittings directly caused by its own over-running, shortcircuiting, excessive pressure or self-heating. This exclusion does not apply to *damage to* any other part of the plant or appliances or other *property* caused by the spread of fire

### **4 Electronic Risks**

- a) loss or damage to any computer or other equipment or component or system or item which processes stores transmits retrieves or receives data whether tangible or intangible (including but without limitation any information or programs or software) and whether the property is insured or not where such *damage* is caused by *virus or similar mechanism or hacking or denial of service attack*
- b) loss, cost or expense *due to virus or similar mechanism or hacking or denial of service attack*

but this shall not exclude *damage or loss, cost or expense* arising therefrom which results from Insured Perils 1-12 or 14 where insured but excluding the acts of malicious persons which do not involve physical force or violence

### **5 Insured Perils Excess**

the excess shown in the Schedule, applied separately to each *claim* at each separate *premises*

### **6 Northern Ireland Civil Commotion**

loss or damage *due to* civil commotion in Northern Ireland

### **7 Pollution/Contamination**

loss or damage or any cost, expense or consequential loss *due to* pollution or contamination except:

- a) where the pollution or contamination results from an Insured Peril other than Insured Peril 15
- b) where an Insured Peril other than Insured Peril 15 results from pollution or contamination

### **8 Property More Specifically Insured**

*property more specifically insured by you or on your behalf*

### **9 Terrorism**

loss or damage *due to* TERRORISM.

In any action, suit or other proceedings where we allege that by reason of this exclusion *damage* is not covered by this Policy the burden of proving that such *damage* is covered is upon you.

# Section 2 – Property owners’ liability

## Special Definitions

Wherever the following words appear in capital letters within this Section they will have the same defined special meaning attributed to them.

### CLEAN UP COSTS

- a) Testing for or monitoring of POLLUTION OR CONTAMINATION
- b) the costs of REMEDIATION required by any ENFORCING AUTHORITY to a standard reasonably achievable by the methods available at the time that such REMEDIATION commences.

### DATA

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

### ENFORCING AUTHORITY

Any government or statutory authority or body implementing or enforcing environmental protection legislation within the *territorial limits*.

### POLLUTION OR CONTAMINATION

- a) All pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
- b) all *damage or injury due to* such pollution or contamination.

### REMEDIATION

Remedying the effects of POLLUTION OR CONTAMINATION including primary, complementary and compensatory actions as specified in the Environmental Damage (Prevention and Remediation) Regulations 2009.

### Cover

We will pay damages and claimants’ costs and expenses for which you are legally liable in respect of:

- a) accidental *injury* to any person (other than an *employee where such injury arises out of and in the course of the employment*)
- b) accidental *damage to property* which is neither owned by nor in the custody or control of:
  - i) *you*
  - ii) any of *your officers or employees*
  - iii) any other party claiming indemnity
- c) accidental *damage to:*
  - i) personal effects including motor vehicles and their contents belonging to *your guests or any guests of your officers or employees* whilst the personal effects are in *your* custody or control or the custody or control of *your officers or employees*
  - ii) *buildings*, including their fixtures and fittings which *you* lease, hire or rent excluding:
    - 1) *damage to their contents*
    - 2) *liability which you have assumed solely because of a tenancy or other agreement*
    - 3) the first £250 of each *claim for damage* unless the *damage* is caused by fire or explosion
- d) accidental obstruction, accidental trespass, accidental nuisance, accidental interference with pedestrian, road, rail, air or waterborne traffic, accidental invasion of the right of privacy excluding any liability arising under Regulation (EU) 2016/679 (General Data Protection Regulation) or Data Protection Act 2018, or accidental interference with any right of air, light, water or way
- e) unlawful detention, imprisonment or arrest

occurring during the Period of Insurance and within the *geographical limits* and caused in connection with the *business* in respect of the *premises*.

## Extensions applicable to Section 2

We will also insure under the terms and covers applying to this Section:

### 1 Contingent Motor Liability (Non-Owned Vehicles)

*your legal liability for accidental death of or accidental *injury* to any person and/or accidental *damage* to *property* arising out of the use of any motor vehicle not the property of nor provided by you and being used in connection with the *business*.*

Provided always that we will not pay under this Extension:

- a) in respect of *damage* to such vehicle or to goods conveyed therein or thereon
- b) for accidental *injury* to any person and/or accidental *damage* to *property* arising while such vehicle is being driven by *you* or by any person who to the knowledge of *you* or *your* representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- c) in respect of liability more specifically insured under any other insurance
- d) in respect of liability arising outside the *geographical limits*

### 2 Corporate Manslaughter

*your legal costs and expenses incurred with *our* prior written consent in connection with the defence of any criminal proceedings including any appeal against conviction arising from any such proceedings brought in respect of a charge and or investigations connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man committed or alleged to have been committed during the Period of Insurance in the course of the *business* and which relates to any event involving *injury* which is or may be the subject of indemnity under this Section.*

Provided always that:

- a) the most we will pay is £5,000,000 in any one Period of Insurance or the Limit of Indemnity stated in the Schedule whichever is the lesser. This limit will form part of and not be in addition to the Limit of Indemnity stated in the Schedule
- b) this Extension will only apply to proceedings brought in the *territorial limits*
- c) we must consent in writing to the appointment of any solicitor or counsel who are to act for and on behalf of *you*
- d) *you* will give to *us* immediate notice of any summons or other process served upon *you* which may give rise to proceedings under this Extension
- e) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- f) we will be under no liability:
  - i) where *you* have committed any deliberate or intentional criminal act giving rise to a corporate manslaughter or corporate homicide charge
  - ii) in respect of fines or penalties of any kind
  - iii) in respect of the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of:
    - 1) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work Act (Northern Ireland) Order 1978 or any regulations made thereunder
    - 2) the Food Safety Act 1990 or any regulations made thereunder
    - 3) the Consumer Protection Act 1987 or any regulations made thereunder
  - iv) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this Extension indemnity would have been provided by such other source or insurance
- g) where we have already indemnified *you* in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of and or investigation connected with corporate manslaughter or corporate homicide under another Section of this Policy the amount paid under that Section will be taken into account in arriving at *our* liability payable under this Extension

### 3 Court Attendance Costs

£250 per day whilst *you* or any of *your* officers or £100 per day whilst any of *your* employees, attends a court as a witness at *our* request in connection with a claim under this Section

#### 4 Cross Liabilities

each party is entitled to indemnity under this Section as though a separate policy had been issued to each of them. The total amount for which we will be liable to all such parties including *you* will not exceed in the aggregate the Limit of Indemnity shown in the Schedule

#### 5 Data Protection

legal costs and expenses incurred with *our* prior consent, and all sums *you* are required to pay as damages to an individual arising from proceedings brought against *you* under:

- a) Sections 168 and 169 of the Data Protection Act 2018
- b) Article 82 of Regulation (EU) 2016/679 (General Data Protection Regulation).

The most we will pay is £1,000,000 in any one Period of Insurance. This limit will form part of and not be in addition to the limit of indemnity stated in the Schedule.

We will not pay for:

- i) fines, penalties, liquidated, punitive or exemplary damages
- ii) the costs of notifying any person regarding loss of personal data
- iii) the cost of replacing, reinstating, rectifying or erasing any personal data
- iv) any deliberate or intentional criminal act or omission giving rise to any claim under this Extension committed by *you*

#### 6 Defective Premises Act

liability which *you* incur under Section 3 of the Defective Premises Act 1972 and Section 5 of the Defective Premises (Northern Ireland) Order 1975 arising from *injury* or *damage* occurring within 7 years from the cancellation or expiry of this Section of the Policy provided always that:

- a) we will not pay for the cost of remedying any defect or alleged defect in any premises
- b) *you* are not entitled to indemnity under any other policy
- c) the premises were insured by this Policy before its cancellation or expiry

#### 7 Environmental Clean up Costs

all sums including statutory debts that *you* are legally liable to pay in respect of CLEAN UP COSTS arising from environmental damage caused by POLLUTION OR CONTAMINATION where such liability arises under an environmental directive, statute or statutory instrument.

Provided always that:

- a) liability arises from POLLUTION OR CONTAMINATION caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance. All POLLUTION OR CONTAMINATION which arises out of one incident will be deemed to have occurred at the same time such incident takes place
- b) *our* liability under this Extension will not exceed £1,000,000 any one *claim* and in the aggregate in any one Period of Insurance and will be the maximum we will pay 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
- c) immediate loss prevention or salvage action is taken and the appropriate authorities are notified
- d) we will not pay:
  - i) in respect of CLEAN UP COSTS for *damage* to *your* land, premises, watercourse or body of water whether owned, leased, hired, tenanted or otherwise in *your* care, custody or control
  - ii) for *damage* connected with pre-existing contaminated *property*
  - iii) for *damage* caused by a succession of several events where such individual event would not warrant immediate action
  - iv) in respect of removal of any risk of an adverse effect on human health on *your* land, premises, watercourse or body of water whether owned, leased, hired, tenanted or otherwise in *your* care, custody or control
  - v) in respect of costs in achieving an improvement or alteration in the condition of the land, atmosphere or any watercourse or body of water beyond that required under any relevant and applicable law or statutory enactment at the time REMEDIATION commences

- vi) in respect of costs for prevention of imminent threat of environmental damage where such costs are incurred without there being POLLUTION OR CONTAMINATION caused by a sudden, identifiable, unintended and unexpected incident
- vii) for *damage* resulting from an alteration to subterranean stores of groundwater or to flow patterns
- viii) in respect of costs for the reinstatement or reintroduction of flora or fauna
- ix) for *damage* caused deliberately or intentionally by *you* or where *you* have knowingly deviated from environmental protection rulings or where *you* have knowingly omitted to inspect, maintain or perform necessary repairs to plant or machinery for which *you* are responsible
- x) in respect of fines or penalties of any kind
- xi) for *damage* caused by the ownership or operation on behalf of *you* of any mining operations or storage, treatment or disposal of waste or waste products other than caused by composting, purification or pre-treatment of waste water
- xii) for *damage* which is covered by a more specific insurance policy
- xiii) for *damage* caused by persons aware of the defectiveness or harmfulness of products they have placed on the market or works or other services they have performed
- xiv) for *damage* caused by disease in animals belonging to or kept or sold by *you*

## **8 Indemnity to Directors and Employees**

at *your* request:

- a) any of *your* officers or employees:
  - i) where *you* would have been entitled to cover if the claim had been made against *you*
  - ii) in respect of private work carried out with *your* consent for an *officer* or *employee* by an *employee*
- b) any *officer*, member or *employee* of *your* catering, social, sports and welfare organisations, security, ambulance, fire and first aid services

## **9 Indemnity to Principal**

any *principal* but only to the extent required by *your* contract or agreement with them

## **10 Legal Costs**

all legal costs awarded to any claimant or incurred in the defence of any claim that is contested by *us* or with *our* consent

## **11 Legal Defence Costs**

legal costs and expenses which *you* incur with *our* written consent or at *your* request, which any of *your* officers or employees incur in the defence of a prosecution (including an appeal against a conviction) for an alleged or actual breach of the following legislation during the Period of Insurance and which relates to any event arising in the course of the *business* involving *injury* or *damage* to *property* which is or may be the subject of indemnity under this Section:

- a) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978
- b) Part II of the Consumer Protection Act 1987
- c) The Food Safety Act 1990.

We will not pay for:

- i) proceedings brought outside the *territorial limits*
- ii) costs, expenses or reimbursements arising in connection with:
  - 1) any order made under Section 16, 17 or 35 of the Consumer Protection Act 1987
  - 2) any order made under Section 9 or resulting from Regulations as to charges under Section 45 of the Food Safety Act 1990

## 12 Legionella

your legal liability arising from POLLUTION OR CONTAMINATION *due to* any discharge, release or escape of Legionella or other airborne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like.

All POLLUTION OR CONTAMINATION which arises out of or as a consequence of any discharge, release or escape of Legionella or other airborne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like shall be deemed to have occurred on the date that *you* first become aware of circumstances which have given rise to such POLLUTION OR CONTAMINATION.

We will not pay for any claim arising from POLLUTION OR CONTAMINATION which arises out of or as a consequence of any discharge, release or escape of Legionella or other airborne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like if before the current Period of Insurance *you* were aware of circumstances which have or may give rise to such POLLUTION OR CONTAMINATION.

Exclusion 1 b) v) will not apply in respect of the insurance under this Extension.

The most we will *pay* under this Extension is £5,000,000 *due to* all *claims* happening in any Period of Insurance.

*You* must give *us* notice in writing immediately on becoming aware of circumstances which have given or may give rise to a claim under this Extension of cover

## 13 Loading/Unloading

liability which *you* incur in respect of *injury or damage to property* during loading or unloading of any motor vehicle or the bringing to or taking away of a load from that vehicle, provided *you* are not entitled to indemnity under any other policy

## 14 Personal Representatives

the legal personal representative of any person who is entitled to cover under this Section but only in respect of liability incurred by the person whom they are representing provided always that:

- a) any person entitled to cover under the terms of this Section satisfies the terms and conditions of this Policy so far as they can apply
- b) we have the sole conduct and control of any claim.

## Provisions applicable to Section 2

### 1 Adjustments

Where any premium is calculated on estimates *you* must declare to *us* any information required for the expired Period of Insurance and pay any additional premium.

### 2 Company Registration

We will only insure *you* under this Section if *you* are registered in the *territorial limits*.

## Exclusions applicable to Section 2

This Section does not apply to or include:

### 1 Airside Risks

damages, costs and expenses incurred *due to* ownership or operation of any aircraft landing or airside facility

### 2 Asbestos

liability, loss, cost or expense directly or indirectly caused by, contributed to by or arising out of any asbestos, asbestos fibres or any derivatives of asbestos including any product containing asbestos, asbestos fibres or derivatives

### 3 Cyber

liability arising out of any actual (or alleged) unauthorised acts (including malicious acts) which results in access to, disruption of, or any failure of any computer or other equipment or component or system or item which processes, stores, transmits or receives DATA.

This exclusion is not applicable to the indemnity provided by Extension 5 – Data Protection

### 4 Defective Work

loss of or damage to that part of any property upon which *you* or any servant or agent of *yours* is or has been working where the loss or damage is the direct result of such work

### 5 Demolition, Erection and Alteration

damages, costs and expenses incurred *due to* demolition, erection or structural alteration of or addition to new or existing *buildings*

**6 Foreign Operations**

any associated or subsidiary company of *yours* or branch office or representative of *yours* with power of attorney domiciled elsewhere than in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands

**7 Goods**

damages, costs and expenses incurred *due to goods*. This exclusion will not apply to *buildings* or land in respect of the insurance provided under Extension 6 – Defective Premises Act

**8 Liquidated or Punitive Damages**

- a) liability in respect of liquidated damages or fines or penalties which attaches solely because of a contract or agreement
- b) aggravated, exemplary, vindictive or punitive damages awarded by any court of law outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands

**9 Motor**

any indemnity in respect of any liability for which compulsory motor insurance or security is required under road traffic legislation

**10 North America**

any liability *due to*:

- a) any goods knowingly sold or supplied by *you* for delivery or use
- b) any claim made or brought
- c) *injury, unlawful arrest or damage to property*

occurring in the United States of America or Canada

**11 Offshore Work**

any amount in respect of *injury or damage to property due to work on or visit or travel to or from any offshore structure by you, your officers or your employees or any other party engaged by you or on your behalf*

**12 Other Business**

damages, costs and expenses incurred *due to your pursuit or exercise of any trade, calling or profession other than the business*

**13 Pollution or Contamination**

damages, costs and expenses incurred *due to POLLUTION OR CONTAMINATION* other than caused by a sudden, identifiable and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

All POLLUTION OR CONTAMINATION arising out of one incident will be deemed to have occurred at the time the incident takes place

**14 Professional Advice**

liability arising out of professional advice given by *you* for a fee or in circumstances where a fee would normally be charged

**15 Replacing, Repairing or Guaranteeing Goods**

replacing, reinstating, rectifying, repairing, recalling or guaranteeing the performance of any *goods*

**16 Vessels and Craft**

liability arising from the ownership or possession or use by *you* or on *your* behalf of craft designed to travel through air or space, hovercraft or watercraft other than barges, motor launches and non-powered craft used on inland waterways

**17 Waking Watch**

liability arising directly or indirectly from the use of or reliance upon any waking watch system undertaken by any tenant, member of a residents' association or right to manage company.

## **Limits of Indemnity**

the Limits of Indemnity shown in the Schedule are *our* monetary limits in respect of the insurance provided by this Section (other than limits otherwise specified) and apply to any one *claim* except for:

- a) *claims* for POLLUTION OR CONTAMINATION
- b) extended indemnity

where the Limits of Indemnity shown apply in the aggregate in any one Period of Insurance but in no circumstances will *we pay* more than £10,000,000 in respect of *claims* for POLLUTION OR CONTAMINATION or extended indemnity *due to* incidents in any Period of Insurance.

Where *you* become liable to pay a sum above the Limits of Indemnity in respect of a *claim*, *we will pay* only the proportion of costs and expenses that the Limits of Indemnity bear to *your* total liability. The costs and expenses will not be proportionately reduced in respect of *claims* for *injury* to any *employee*.

Notwithstanding the number of separate named insureds *our* aggregate liability under this Policy to such insureds jointly and severally shall be the same amount as if there were only one insured party and such amount shall not exceed £10,000,000. The same occurrences or other aggregating provisions across any of the insureds suffering loss from such occurrences shall be deemed to be single occurrence.

# Section 3 – Employers’ liability

This section is only operative if stated in the schedule.

## Special Definition

Wherever the following words appear in capital letters within this Section they will have the same defined special meaning attributed to them.

## TERRORISM

- a) Any act or preparation in respect of action or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto and which:
  - i) involves violence against one or more persons
  - ii) involves damage to property
  - iii) endangers life other than that of the person committing the action
  - iv) creates a risk to health or safety of the public or a section of the public
  - v) is designed to interfere with or to disrupt an electronic system
- b) any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation in respect of action or threat of action described in a) above.

## Cover

We will pay damages and claimants’ costs and expenses for which *you* are legally liable in respect of accidental *injury* to any *employee*, occurring during the Period of Insurance and within the *geographical limits* in the course of their employment or engagement in the *business*.

## Extensions applicable to Section 3

We will also insure under the terms and covers applying to this Section:

### 1 Corporate Manslaughter

*your* legal costs and expenses incurred with *our* prior written consent in connection with the defence of any criminal proceedings (including any appeal against conviction arising from any such proceedings) brought in respect of a charge and/or investigations connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands committed or alleged to have been committed during the Period of Insurance in the course of the *business* and which relates to any event involving *injury* which is or may be the subject of indemnity under this Section.

Provided always that:

- a) the most we will pay is £5,000,000 in any one Period of Insurance. This limit will form part of and not be in addition to the Limit of Indemnity stated in the Schedule
- b) this Extension will only apply to proceedings brought in the *territorial limits*
- c) we must consent in writing to the appointment of any solicitor or counsel who are to act for and on behalf of *you*
- d) *you* will give to *us* immediate notice of any summons or other process served upon *you* which may give rise to proceedings under this Extension
- e) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- f) we will not pay:
  - i) where *you* have committed any deliberate or intentional criminal act giving rise to a corporate manslaughter or corporate homicide charge
  - ii) in respect of fines or penalties of any kind
  - iii) in respect of the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work Act (Northern Ireland) Order 1978 or any regulations made thereunder
  - iv) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this Extension indemnity would have been provided by such other source or insurance

g) where we have already indemnified *you* in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of and/or investigation connected with corporate manslaughter or corporate homicide under another Section of this Policy the amount paid under that Section will be taken into account in arriving at *our* liability payable under this Extension

## **2 Court Attendance Costs**

£250 per day whilst *you* or any of *your officers* or £100 per day whilst any of *your employees*, attends a court as a witness at *our* request in connection with a claim under this Section

## **3 Cross Liabilities**

each party is entitled to indemnity under this Section as though a separate policy had been issued to each of them. The total amount for which we will be liable to all such parties including *you* will not exceed in the aggregate the Limit of Indemnity shown in the Schedule

## **4 Indemnity to First Aid and Medical Teams**

any director or *employee* while acting as a member of *your* first aid or medical arrangements but excluding medical practitioners in respect of liability for damages and legal costs to any other *employee* resulting from treatment given in connection with any *injury* sustained by such person and arising out of and in the course of the employment of such person by *you*

## **5 Indemnity to Directors and Employees**

at *your* request:

- a) any of *your officers* or *employees*:
  - i) where *you* would have been entitled to cover if the claim had been made against *you*
  - ii) in respect of private work carried out with *your* consent for an *officer* or *employee* by an *employee*
- b) any *officer*, member or *employee* of *your* catering, social, sports and welfare organisations, security, ambulance, fire and first aid services

## **6 Indemnity to Principal**

any *principal* but only to the extent required by *your* contract or agreement with them

## **7 Injury to Partner or Proprietor**

an *injury* to *you* or *your* partner in the same way we would treat an *injury* to an *employee*.

Provided always that:

- a) the *injury* occurs whilst *you* or *your* partner is engaged in connection with the *business*
- b) the *injury* is caused by another partner or by an *employee* whilst engaged in connection with the *business*
- c) *you* or *your* injured partner has a valid right of action against the party responsible for such *injury*

## **8 Legal Defence Costs**

legal costs and expenses which *you* incur with *our* written consent or at *your* request, which any of *your officers* or *employees* incur in the defence of a prosecution (including an appeal against a conviction) for an alleged or actual breach of the following legislation during the Period of Insurance and which relates to any event arising in the course of the *business* involving *injury* or *damage* to *property* which is or may be the subject of indemnity under this Section:

- a) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978
- b) Part II of the Consumer Protection Act 1987
- c) The Food Safety Act 1990.

We will not pay for:

- i) proceedings brought outside the *territorial limits*
- ii) costs, expenses or reimbursements arising in connection with:
  - 1) any order made under Section 16, 17 or 35 of the Consumer Protection Act 1987
  - 2) any order made under Section 9 or resulting from Regulations as to charges under Section 45 of the Food Safety Act 1990

## 9 Personal Representatives

the legal personal representative of any person who is entitled to cover under this Section but only in respect of liability incurred by the person whom they are representing provided always that:

- a) any person entitled to cover under the terms of this Section satisfies the terms and conditions of this Policy so far as they can apply
- b) we have the sole conduct and control of any claim

## 10 Solicitors' Fees

- a) legal fees for representation at any coroner's inquest, fatal injury inquiry or proceedings in any court of summary jurisdiction or similar court of inquiry in the country of jurisdiction
- b) other costs and expenses which *you* incur with *our* written consent.

## Provisions applicable to Section 3

### 1 Adjustments

Where any premium is calculated on estimates *you* must declare to *us* any information required for the expired Period of Insurance and pay any additional premium.

### 2 Company Registration

We will only insure *you* under this Section if *you* are registered in the *territorial limits*.

### 3 Terrorism Limitation

The Limit of Indemnity payable under this Section in respect of any *claim due to TERRORISM* is £5,000,000.

## Exclusions applicable to Section 3

This Section does not apply to or include:

### 1 Motor Vehicles

damages, costs and expenses incurred *due to injury* to any *employee* when the *employee* is:

- a) carried in or upon any motor vehicle
- b) entering or getting onto or alighting from a motor vehicle in circumstances where Road Traffic legislation requires insurance or security.

This exclusion does not apply to *injury* to any *employee* who at the time the *injury* occurs is the driver of a motor vehicle or is the person in charge of the motor vehicle for the purposes of driving provided there is no other insurance covering the *injury*

### 2 North America

in respect of any liability *due to*:

- a) any *goods* knowingly sold or supplied by *you* for delivery or use
- b) any *claim* made or brought
- c) *injury*, unlawful arrest or *damage* to *property*

occurring in the United States of America or Canada

### 3 Offshore Work

any amount in respect of *injury* or *damage* to *property* *due to* work on or visit or travel to or from any offshore structure by *you*, *your officers* or *your employees* or any other party engaged by *you* or on *your behalf*.

## Limits of Indemnity

The Limits of Indemnity shown in the Schedule are *our* monetary limits in respect of the insurance provided by this Section (other than limits otherwise specified) and apply to any one *claim*.

# General exclusions

Applicable to all Sections other than Section 3 – Employers’ Liability.

This Policy does not cover:

## 1 Communicable Diseases

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 the following:

- 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.

This exclusion does not however apply to the following:

- i) Section 1 – Material damage – in respect of and only to the extent of cover expressly stated as being provided under the additional covers titled Legionellosis and Named Diseases, Vermin, Defective Sanitary Arrangements, Murder and Suicide
- ii) to damage or loss, cost or expense arising therefrom which results from a *defined peril* but excluding the acts of malicious persons who maliciously, deliberately or recklessly cause any substance or agent capable of causing a *communicable disease* to come into contact with the premises or property of any person or entity or cause or attempt to cause another person or persons to contract a *communicable disease*
- iii) Section 2 – Property owners’ liability – in respect of:
  - 1) food or drink poisoning; or
  - 2) Legionnaires’ disease under the Extension titled Legionella but only to the extent of cover expressly stated as being provided under the Extension

## 2 Date Related Performance and Functionality

loss, destruction or damage, additional expenditure or extra expenses, legal liability or other fees, costs, disbursements, awards or other expenses of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- a) the way in which any *data processing system* responds to or deals with or fails to respond to or fails to deal with any true calendar date
- b) any *data processing system* responding to or dealing in any way with:
  - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
  - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such *data processing system* is *your* property or not but in respect of all insurances other than Property Owners’ Liability this will not exclude damage or loss, cost or expense arising therefrom which itself results from a *defined peril*

## 3 Nuclear and War Risks, Government or Public Authority and Sonic Bangs

loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any *nuclear installation*, *nuclear reactor* or other explosive nuclear assembly or nuclear component thereof
- c) any weapon or device employing atomic nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes
- e) i) war, invasion, act of foreign enemy, hostilities whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power
  - ii) nationalisation, confiscation, requisition, seizure or destruction by any government or public authority
- f) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

# General conditions

## 1 Arbitration

If we admit liability for a claim but there is a dispute as to the amount to be paid the dispute will be referred to an arbitrator. The arbitrator will be appointed jointly by *you* and *us* in accordance with the law at the time. *You* may not take any legal action against *us* over the dispute before the arbitrator has reached a decision.

## 2 Cancellation

We may cancel this Policy by sending a Recorded Delivery letter to *your* last known address (and in the case of Northern Ireland to the Department of the Environment for Northern Ireland).

We will give *you* the following notice:

- a) 7 days in the event of non-payment of an instalment premium on its due date
- b) 30 days in other circumstances.

*You* may be entitled to a pro rata return of premium calculated from the date of cancellation. If *you* decide *you* do not want to accept this Policy, or any subsequent renewal of it, please tell *us* (or *your* broker or insurance intermediary) within 14 days of receiving this Policy or renewal notice. We may at our discretion, charge *you* for the time *you* have been on cover, including insurance premium tax.

## 3 Change in Circumstances

*You* must notify *us* as soon as possible during the Period of Insurance if there is any change in circumstances which materially increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change we will be entitled to vary the premium and terms for the rest of the Period of Insurance. If the changes make the risk unacceptable to *us* then we may no longer be able to provide *you* with cover.

If *you* do not notify *us* of any such change this Policy may be affected in one or more of the following ways depending on what we would have done had *we* known about the change in circumstances:

- a) if *we* would not have continued to provide *you* with any cover we may treat this Policy as if it did not exist from the date of the change in circumstances; or
- b) if *we* would have applied different terms to the cover we may treat this Policy as if those different terms applied from the date of the change in circumstances; and/or
- c) if *we* would have charged *you* a higher premium for providing the cover we will charge *you* the additional premium which *you* must pay in full.

## 4 Fair Presentation of the Risk

- a) At inception and renewal of this Policy and also whenever changes are made to it at *your* request *you* must:
  - i) where *you* have taken out this Policy for purposes which are wholly or mainly related to *your* trade, business or profession, disclose to *us* all material facts in a clear and accessible manner and not misrepresent any material facts; and
  - ii) where *you* have taken out this Policy for purposes which are wholly or mainly unrelated to *your* trade, business or profession, take reasonable care not to misrepresent any material facts.
- b) If *you* do not comply with clause a) of this condition and the non-disclosure or misrepresentation by *you* is proven by *us* to be deliberate or reckless we may from the relevant date specified in clause d):
  - i) treat this Policy as if it had not existed; and
  - ii) not return the premium paid by *you*.
- c) If *you* do not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless the cover, meaning this Policy or the changes made to it, may be affected from the relevant date in clause d) in one or more of the following ways depending on what we would have done if *we* had known about the facts which *you* failed to disclose or misrepresented:
  - i) if *we* would not have provided *you* with the cover we will have the option to treat the cover as if it had not existed and repay the premium paid for such cover; or
  - ii) if *we* would have applied different terms to the cover we will have the option to treat this Policy as if those different terms apply; and/or
  - iii) if *we* would have charged *you* a higher premium for providing the cover we will charge *you* the additional premium which *you* must pay in full.

- d) Clauses b) and c) apply with effect from inception, renewal or the date of the changes, depending on when the non-compliance occurred. We may also recover any claims payments which have already been made to the extent that the cover under which such payments were made is being treated as if it did not exist or as if it had been subject to different terms under which the claim would not have been payable.
- e) Where this Policy provides cover for any person other than *you* and that person would if they had taken out such cover in their own name have done so for purposes wholly or mainly unconnected with their trade, business or profession we will not invoke the remedies which might otherwise have been available to *us* under this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular insured person other than *you*.

Provided always that if the person concerned or *you* acting on their behalf makes a careless misrepresentation of fact we may invoke the remedies available to *us* under this condition as against that particular person as if a separate insurance contract had been issued to them leaving the remainder of the Policy unaffected.

## 5 Fraudulent Claims

If *you* or anyone acting on *your* behalf:

- a) makes a fraudulent or exaggerated claim under this Policy; or
- b) uses fraudulent means or devices including the submission of false or forged documents in support of a claim whether or not the claim is itself genuine; or
- c) makes a false statement in support of a claim whether or not the claim is itself genuine; or
- d) submits a claim under this Policy for loss or damage which *you* or anyone acting on *your* behalf or in connivance with *you* deliberately caused; or
- e) realises after submitting what *you* reasonably believed was a genuine claim under this Policy and then fails to tell *us* that *you* have not suffered any loss or damage; or
- f) suppresses information which *you* know would otherwise enable *us* to refuse to pay a claim under this Policy we will be entitled to refuse to pay the whole of the claim and recover any sums that we have already paid in respect of the claim.

We may also notify *you* that we will be treating this Policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If we terminate this Policy under this condition *you* will have no cover under this Policy from the date of termination and not be entitled to any refund of premium.

If any fraud is perpetrated by or on behalf of an insured person and not on behalf of *you* this condition should be read as if it applies only to that insured person's claim and references to this Policy should be read as if they were references to the cover effected for that person alone and not to the Policy as a whole.

## 6 Reasonable Precautions

*You* must:

- a) ensure all reasonable precautions are taken to prevent or minimise *damage*, accident, *injury*, financial loss or other loss
- b) make every effort to comply with any statutory requirements and other safety regulations imposed by any authority
- c) keep a complete set of accounts
- d) take up references before entrusting *property* to a new *employee*.

## 7 Sanctions

Notwithstanding any other terms of this Policy we will be deemed not to provide cover nor will we make any payment or provide any service or benefit to *you* or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of *yours* would violate any applicable trade or economic sanctions law or regulation.

# Claims conditions

## 1 Claims Procedure

If there is *damage* to *property*, loss of RENT, accident, injury or other loss which may give rise to a claim or on receiving verbal or written notice of any claim you must:

### Notification

- a) notify Gallagher or *us* immediately
- b) notify the police immediately if *damage* is caused by malicious persons, theft or unexplained loss

### Full Details

- c) provide Gallagher or *us* with, at *your* expense:
  - i) full written information about the loss and any evidence or assistance we require including details of any other insurance covering the loss. If *damage* is caused by riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances full information must be provided within 7 days
  - ii) a statutory declaration of the truth of the claim and of any matters connected with it if we ask you to

### Summons or Other Documents

- d) notify Gallagher or *us* immediately of any writ, summons, process or other document.

You must not negotiate, *pay*, settle, admit or repudiate liability or claim without *our* written consent.

## 2 Other Insurances

If at the time of any occurrence giving rise to a claim there is any other insurance effected by *you* or on *your* behalf providing an indemnity in respect of such claim *our* liability will be limited to its rateable proportion. If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Policy in whole or in part or from contributing proportionally *our* liability under this Policy will be limited to any excess beyond the amount which would be payable under such other insurance had this policy not been effected.

## 3 Our Rights

We will:

- a) be entitled to take over the defence or settlement of any claim made upon *you* by any other party and *you* will give all assistance as may be reasonably required by *us*
- b) have the right to enter the premises where the loss or damage has occurred and to keep possession of any of the *property* insured and to deal with the salvage in a reasonable manner but the Insured will not be entitled to abandon any property to *us*
- c) be entitled to take benefit of any rights of *us* against any other party before or after we have received indemnification under this Policy and *you* will give all assistance as may be reasonably required by *us*
- d) at any time *pay*:
  - i) the Limit of Indemnity shown in the Schedule (after deduction of any amount already paid); or
  - ii) any lesser amount for which the claim can be settled.

We may then relinquish the conduct and control and be under no further liability for the claim except for the payment of costs or expenses incurred with *our* consent prior to the date of such payment.

## 4 Reinstatement/Replacement of Property

If we decide to reinstate or replace any *property* *you* must 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 will not be bound to expend in respect of any one item more than its sum insured or in total the limit shown in the Schedule.

**Zurich Insurance Company Ltd**

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