property protector

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Property owners
Policy wording

HISCOX

General terms and conditions

A seamless integrated insurance solution for commercial or residential property owners.

Please read this wording, together with any **endorsements** and the schedule, very carefully. If anything is not correct, please notify **us** immediately.

Our promise to you

In return for the premium **you** have paid, **we** agree to insure **you** in accordance with the terms and conditions of the **policy**.

Steve Langan
CEO, Hiscox Insurance Company

Complaints procedure

Hiscox aims to ensure that all aspects of **your** insurance are dealt with promptly, efficiently and fairly. At all times Hiscox are committed to providing **you** with the highest standard of service. If **you** have any concerns about **your policy** or **you** are dissatisfied about the handling of a claim and wish to complain **you** should, in the first instance, contact Hiscox Customer Relations in writing at:

Hiscox Customer Relations
The Hiscox Building
Peasholme Green
York YO1 7PR
United Kingdom

or by telephone on +44 (0)800 116 4627 or +44 (0)1904 681 198
or by email at customer.relations@hiscox.com.

Where **you** are not satisfied with the final response from Hiscox, **you** also have the right to refer **your** complaint to the Financial Ombudsman Service. For more information regarding the scope of the Financial Ombudsman Service, please refer to www.financial-ombudsman.org.uk.

General definitions

Words shown in **bold** type have the same meaning wherever they appear in this **policy**.

The words defined below are used throughout this **policy**. Any other definitions are shown in the section to which they apply.

Amount insured

The most **we** will pay as shown in the schedule. Unless **we** say otherwise, the amounts apply to each incident of loss and will be automatically restored to the full amount after **we** pay a loss provided **you** carry out **our** recommendations to prevent further loss or damage.

Asbestos risks

a. The mining, processing, manufacturing, use, testing, ownership, sale or removal of asbestos, asbestos fibres or material containing asbestos; or

b. exposure to asbestos, asbestos fibres or materials containing asbestos; or

c. the provision of instructions, recommendations, notices, warnings, supervision or advice given, or which should have been given, in connection with asbestos, asbestos fibres or structures or materials containing asbestos.

Bodily injury

Death, or any bodily or mental injury or disease of any person.

Building Contract

A standard JCT minor or intermediate contract which **you** are required to take out in joint names, with the **contractor** or any other building contract agreed by **us**.

Buildings

The buildings which belong to **you** or for which **you** are legally responsible at the **insured premises**, including:

1. foundations, outbuildings, annexes and fixed fuel tanks;

2. walls, gates, fences, car parks, yards, private roads, pavements and paths;
3. external signs, aerials and satellite dishes attached to such structure;
4. security lighting, security cameras and other security and fire protection devices attached to such structure;
5. pipes, ducting, cables, wires and associated control equipment at the **insured premises** and up to the public mains;
6. fixed glass in windows, doors, fanlights and sanitary fixtures and fittings.

The land at the **insured premises** is not included within this definition.

Business

Your business or profession as shown in the schedule.

Clean-up costs

The costs incurred by **you** of remediation required by any governmental, administrative or regulatory body to remedy the effects of **pollution** which changes the state of:

a. the land;
b. the atmosphere;
c. any watercourse or body of water; or
d. any building or other structures.

Commercial buildings

Buildings let or intended for commercial occupation including premises of mixed use where parts are also let or intended for residential occupation.

Computers

Computers and ancillary equipment, including **programs**, data carrying media and any electronic or digital data, music or images.

Confiscation

Confiscation, nationalisation, requisition, expropriation, deprivation, destruction of or damage to property by or under the order of any government or public or local authority.

Contents

The contents of the **insured premises** which belong to **you** or for which **you** are legally responsible, including:

1. carpets, furniture and soft furnishings;
2. white goods;
3. audio visual equipment;
4. outdoor furniture, heaters, ornaments, statues and other similar items that are normally left outdoors.

The following are not included within this definition:

a. **buildings**;
b. motorised vehicles, including off-road vehicles, their keys and accessories, other than domestic gardening equipment and wheelchairs;
c. caravans and their accessories;
d. watercraft and their accessories, including surfboards, sailboards, rowing boats and dinghies;
e. aircraft or aerial devices and their accessories;
f. bicycles, sports equipment and their accessories;
g. **money**;
h. any electronic, online or crypto currency, including Bitcoin, even where such currency exists in physical form
i. **computers**;
j. animals, trees, shrubs and plants;
j. land or water;
k. marquees and their accessories;
l. gold, silver, platinum, gold and silver plate, jewellery, gemstones, watches, furs, guns, art, antiques and collectibles of particular value due to their age, style, artistic merit or collectability .

General terms and conditions

Contractor	The building contractor named in the **building contract**.
Contract works	The building works in progress and finished building works at the **insured premises** for which **you** are legally responsible under the terms of a **building contract**. The following are not included within this definition: a. any **property** which existed prior to the commencement of the **building contract**; b. any building works for which a certificate of completion has been issued; c. any finished building works which are occupied for the purposes of **your business**.
Damage	Accidental physical loss or physical damage.
Defence costs	Costs incurred with **our** prior written agreement to investigate, settle or defend a claim against **you**.
Drone	Any remotely controlled un-manned aerial vehicle and any accessories used with such vehicle.
Earth movement	Any natural or man-made earth movement including, but not limited to earthquake, seaquake, volcanic eruption or **subsidence** and any ensuing tsunami.
Employee	Any person normally resident in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man working for **you** in connection with **your business** who is: 1. employed by **you** under a contract of service or apprenticeship; 2. hired to or borrowed by **you**; 3. under **your** control or supervision and is self-employed or working on a labour-only basis; 4. engaged by labour-only sub-contractors; 5. a labour master or a person supplied by him; 6. engaged under a work experience or training scheme; 7. a voluntary helper.
Empty	Empty, disused, unfurnished or no longer in active use by **you** or **your tenants.**
Endorsement	A change to the terms of the **policy**.
Excess	The amount **you** must bear as the first part of each agreed claim or loss.
Flood	Rising surface or tidal water, or the overflow of water from any natural or artificial watercourse (other than water tanks, apparatus or pipes), whether driven by **storm** or not.
Geographical limits	The geographical area shown in the schedule.
Hacker	Anyone who maliciously targets **you** and gains unauthorised access to **your** website, intranet, computer system, network, telephony equipment or data held electronically by **you** or on **your** behalf.
Insured damage	**Damage** to **insured property** occurring during the **period of insurance** provided that: a. the **damage** is not otherwise excluded by the property or business interruption sections of this **policy**; and b. payment has been made or liability admitted by the insurer under any insurance covering such **damage**.
Insured premises	The space occupied or intended to be occupied by **you** or any t**enant** at the premises shown in the schedule located in a building of **standard construction** unless otherwise notified to **us** and to which **we** have confirmed **our** agreement. This includes any outbuildings **you** or a **tenant** occupy at the same premises.
Insured property	**Buildings** and **contents**.

General terms and conditions

Money
Bank cards, cash, bank and currency notes, cheques, travellers' cheques, postal orders, money orders, crossed bankers' drafts, current postage stamps, savings stamps and certificates, National Insurance stamps, trading stamps, gift tokens, customer redemption vouchers, company sales vouchers, credit card counterfoils, travellers' tickets, VAT purchase receipts, contents of franking machines and, insofar as they are not otherwise insured, holiday-with-pay stamps and luncheon vouchers.

Nuclear risks
a. Any sort of nuclear material, nuclear reaction, nuclear radiation or radioactive contamination.

b. Any products or services which include, involve or relate in any way to anything in a. above, or the storage, handling or disposal of anything in a. above.

c. All operations carried out on any site or premises on which anything in a. or b. above is located.

Period of insurance
The time for which this **policy** is in force as shown in the schedule.

Personal effects
Articles worn, used or carried about the person which belong to **your** partners, directors, trustees, committee members, employees, volunteers or visitors to the **insured premises** or for which such persons are legally responsible.

Personal injury
False arrest, detention or imprisonment; malicious prosecution; wrongful entry into, or eviction of a person from a room, dwelling or premises that they occupy; invasion of any rights of privacy.

Policy
This insurance document and the schedule, including any **endorsements**.

Pollution
Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.

Program
A set of instructions written in a computer language which tells a computer how to process data or interact with ancillary equipment.

Property
Tangible property.

Property damage
Physical loss of or damage to or destruction of tangible property including the resulting loss of use of such property.

Public authority restrictions
The **tenant's** inability to use the **insured premises** due to restrictions imposed by a public authority during the **period of insurance** following:

a. a murder or suicide;

b. an occurrence of any human infectious or human contagious disease, an outbreak of which must be notified to the local authority;

c. defects in the drains or other sanitary arrangements;

d. vermin or pests at the **insured premises**.

Residential buildings
Buildings of houses, bungalows or flats designed or converted for solely residential occupation including common areas.

Residential tenant
Any person declared to **us** by **you** as having an assured shorthold tenancy agreement for no less than six months between **you** and them in respect of their occupation of the **insured premises,** or any portion thereof, for residential use only.

Site materials
Unfixed materials and goods required to complete the **contract works** which are stored at or adjacent to the **insured premises** and for which **you** are legally responsible under the terms of a **building contract**. The following are not included within this definition:

a. **money**;

b. aircraft or other aerial devices, hovercraft, watercraft or any mechanically propelled vehicles and their trailers;

c. electrical or mechanical plant, tools or equipment.

Standard construction
Built of brick, stone or concrete and roofed with slate, tiles, concrete, metal, asbestos or any other non-combustible material.

Storm
High winds of a destructive nature, rainstorm, hailstorm or snowstorm.

General terms and conditions

Subsidence — Subsidence, landslip or heave.

Tenant — Any person who legally occupies the **insured premises**, including lessees, **residential tenants** or any other tenant.

Terrorism — An act, or the threat of an act, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, that:

a. is committed for political, religious, ideological or similar purposes; and

b. is intended to influence any government or to put the public, or any section of the public, in fear; and

c. i. involves violence against one or more persons; or

ii. involves damage to property; or

iii. endangers life other than that of the person committing the action; or

iv. creates a risk to health or safety of the public or a section of the public; or

v. is designed to interfere with or to disrupt an electronic system.

Unoccupied

a. For **commercial buildings**, any **building** or part of any **building** that has been **empty** for 14 days from the date of **you** first being made aware it was **empty**.

But this does not apply to multi tenanted **buildings** solely designed for and in use for retail and office purposes where access to the units is through a common entrance and less than 20% of the total **building's** area is **empty**.

b. For **residential buildings** with five dwellings or less, any **building** or part of any **building**, that has been **empty** for 45 consecutive days.

c. For **residential buildings** with six dwellings or more, any **building** or part of any **building** that has been **empty** for 45 consecutive days.

But this does not apply where less than 20% of the total **buildings** are **empty**.

Virus — **Programs** that are secretly introduced without **your** permission or knowledge including, but not limited to, malware, worms, trojans, rootkits, spyware, dishonest adware, crimeware and other malicious unwanted software.

War — War, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.

We/us/our — The insurer named in the schedule.

You/your — The insured named in the schedule.

In respect of the property owner's liability section of this **policy**, **you**/**your** also includes any person who was, is or during the **period of insurance** becomes **your** partner or director or senior manager in actual control of **your** operations.

General conditions

The following conditions apply to the whole of this **policy**. Any other conditions are shown in the section to which they apply.

Presentation of the risk

1. In agreeing to insure **you** and in setting the terms and premium, **we** have relied on the information **you** have given **us**. **You** must provide a fair presentation of the risk and must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete. A fair presentation is one which clearly discloses in a reasonably clear and accessible manner all material facts which **you** (including **your** senior management and those responsible for arranging this insurance) know or ought to know following a reasonable search.

If you fail to make a fair presentation

2. a. If **we** establish that **you** deliberately or recklessly failed to present the risk to **us** fairly, **we** may treat this **policy** as if it never existed and refuse to make any payment under it. **You** must reimburse all payments already made by **us** and **we** will be entitled to retain all premiums paid.

b. If **we** establish that **you** failed to present the risk to **us** fairly but that **your** failure was not deliberate or reckless, the remedy **we** will have available to **us** will depend upon what **we** would have done had **you** made a fair presentation of the risk, as follows:

i. if **we** would not have provided this **policy**, **we** may treat it as if it never existed and refuse to make any payment under it. **You** must reimburse all payments already made by **us**. **We** will refund any premiums **you** have paid; or

ii. if **we** would have provided this **policy** on different terms (other than as to premium), **we** will treat it as if it had been provided on such different terms from the start of the **period of insurance**. This may result in **us** making no payment for a particular claim or loss. **You** must reimburse any payment made by **us** that **we** would not have paid if such terms had been in effect.

Change of circumstances

3. **You** must tell **us** as soon as reasonably possible of any change in circumstances during the **period of insurance** which may materially affect this **policy** (a material fact or circumstance is one which might affect **our** decision to provide insurance or the conditions of that insurance). **We** may then change the terms and conditions of this **policy** or cancel it in accordance with the Cancellation condition.

If you fail to notify us of a change of circumstances

4. a. If **we** establish that **you** deliberately or recklessly failed to:

i. notify **us** of a change of circumstances which may materially affect the **policy**; or

ii. comply with the obligation in 1. above to make a fair presentation of the risk to **us** when providing us with information in relation to a change of circumstances;

we may treat this **policy** as if it no longer existed from the date of such change of circumstances and refuse to make any payment under it in respect of any claim made or any loss occurring after that date. **You** must reimburse all payments already made by **us** relating to claims made or losses occurring after such date. **We** will be entitled to retain all premiums paid.

b. If **we** establish that **you** failed to notify **us** of a change of circumstances or to make a fair presentation of the risk to **us** when providing **us** with information in relation to a change of circumstances, but that **your** failure was not deliberate or reckless, the remedy **we** will have available to **us** will depend upon what **we** would have done had **you** fairly presented the change of circumstances to **us**, as follows:

i. if **we** would have cancelled this **policy**, **we** may treat it as cancelled from the date that such cancellation would have been effective and refuse to make any payment under it in respect of any claim made or any incident occurring after that date. **You** must reimburse any payments already made by **us** relating to claims made or losses occurring after such date. **We** will refund any premiums **you** have paid in respect of any period after the date when cancellation would have been effective; or

ii. if **we** would have provided this **policy** on different terms (other than as to premium), **we** will treat it as if it had been provided on such different terms from the date when **your** circumstances changed. This may result in **us** making no payment for a particular claim or loss.

Reasonable precautions

5. **You** must take reasonable steps to prevent accident or injury and to protect **your** property against loss or damage. **You** must keep any property insured under this **policy** in good condition and repair. **We** will not make any payment under this **policy** in respect of any incident occurring whilst **you** are not in compliance with this condition unless **you** can demonstrate that such non-compliance could not have increased the risk of the loss, damage, accident or injury occurring in the circumstances in which it occurred.

Inspections

6. **You** must ensure that any lifts, boilers and electrical installations in operation at the **insured premises**, are inspected and approved in accordance with all appropriate statutory requirements.

We will not make any payment under this **policy** in respect of any incident occurring whilst **you** are not in compliance with this condition unless **you** can demonstrate that such non-compliance could not have increased the risk of the loss, damage, accident or injury occurring in the circumstances in which it occurred.

Premium payment

7. **We** will not make any payment under this **policy** until **you** have paid the premium.

General terms and conditions

Cancellation

8. **You** or **we** can cancel the **policy** by giving 30 days' written notice. **We** will give **you** a pro-rata refund of the premium for the remaining portion of the **period of insurance** after the effective date of cancellation for which **you** have already paid. However, **we** will not refund any premium under £20.

   If **we** have agreed that **you** can pay **us** the premium by installments and **we** have not received an instalment 14 days after the due date, **we** may cancel the **policy**. In this event, the **period of insurance** will equate to the period for which premium installments have been paid to **us**. **We** will confirm the cancellation and amended **period of insurance** to **you** in writing.

Multiple insureds

9. The most **we** will pay is the relevant amount shown in the schedule.

   If more than one insured is named in the schedule, the total amount **we** will pay will not exceed the amount **we** would be liable to pay to any one of **you**.

   You agree that the insured named in the schedule, or if there is more than one insured named in the schedule the first of them, is authorised to receive all notices and agree any amendments to the **policy**.

Aggregate limit

10. Where this **policy** specifies an aggregate limit, this means **our** maximum payment for all relevant claims or losses covered under the **policy** during the **period of insurance**.

Rights of third parties

11. **You** and **we** are the only parties to this **policy**. Nothing in this **policy** is intended to give any person any right to enforce any term of this **policy** which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

Other insurance

12. **We** will not make any payment under this **policy** where **you** would be entitled to be paid under any other insurance if this **policy** did not exist except in respect of any amount in excess of the amount that would have been payable under such other insurance had this **policy** not been effected. If such other insurance is provided by **us** the most **we** will pay under this **policy** will be reduced by the amount payable under such other insurance.

Cover under multiple sections

13. Where **you**, including anyone within the meaning of 'you' or 'insured person' in any section of the **policy**, are entitled to cover under more than one section of the **policy** in respect of the same claim or loss, or any part of a claim or loss, **we** shall only provide cover under one section of the **policy**, being the section that provides the most advantageous cover to **you** or the party entitled to cover.

Governing law

14. Unless some other law is agreed in writing, this **policy** will be governed by the laws of England.

Arbitration

15. Any dispute arising out of or relating to this insurance, including over its construction, application and validity, will be referred to a single arbitrator in accordance with the Arbitration Act then in force.

General claims conditions

The following claims conditions apply to the whole of this **policy**. **You** must also comply with the conditions shown in each section of the **policy** under the heading **Your obligations**.

Your obligations

1. **We** will not make any payment under this **policy** unless **you**:
   a. give **us** prompt notice of anything which is likely to give rise to a claim under this **policy**, in accordance with the terms of each section; and
   b. give **us**, at **your** expense, any information which **we** may reasonably require and co-operate fully in the investigation of any claim under this **policy**.
2. **You** must:
   a. make every reasonable effort to minimise any loss, damage or liability and take appropriate emergency measures immediately if they are required to reduce any claim; and
   b. give **us** all assistance which **we** may reasonably require to pursue recovery of amounts **we** may become liable to pay under this **policy**, in **your** name but at **our** expense.

If **you** fail to do so, **you** shall be liable to **us** for an amount equal to the detriment **we** have suffered as a result of **your** failure to comply with this obligation, which **we** may deduct from any payment **we** make under this **policy**. However, **we** will not pursue any parent, subsidiary company of **yours** or any subsidiary of any parent company of **yours** for recovery of amounts **we** may become liable to pay under this **policy**.

Fraud

3. If **you**, or anyone entitled to cover in respect of any claim or loss, or anyone on behalf of **you** or such other person, tries to deceive **us** by deliberately giving **us** false information or making a fraudulent claim under this **policy** then:

   a. **we** shall be entitled to give **you** notice of termination of the **policy** with effect from the date of any fraudulent act or claim or the provision of such false information;

   b. **we** shall be entitled to refuse to make any payment under the **policy** in respect of any claim made or any loss occurring after the date of any fraudulent act or claim or the provision of such false information;

   c. **you** must reimburse all payments already made by **us** relating to claims made or losses occurring after the date of any fraudulent act or claim or the provision of such false information; and

   d. **we** shall be entitled to retain all premiums paid.

   This does not affect **your** rights in relation to any claim made or loss occurring before the date of any fraudulent act or claim or the provision of such false information.

4. Where this **policy** provides cover for any individual who, or entity that, is not a party to the **policy**, and where such an individual or entity (or anyone on their behalf) tries to deceive **us** by deliberately giving **us** false information or making a fraudulent claim under this **policy**, **our** rights set out in 3. above apply only to any individual or entity that gave the false information or made the fraudulent claim.

Insured property
Policy wording

The General terms and conditions and the following terms and conditions all apply to this section.

What is covered

We will insure **you** against **damage** occurring during the **period of insurance** to **insured property** or any other items specified under this section in the schedule at the **insured premises**. In the event of such **damage** occurring, **we** will also pay for the cost of modification or replacement to 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.

Additional cover

The following are also provided up to the amount shown in the schedule:

Trace and access

1. **we** will pay for the necessary and reasonable costs **you** incur with **our** consent to locate any **damage** to cables, underground pipes and drains or the source of a gas leak or of any escape of water from permanent internal plumbing, where the **damage**, leakage or escape first occurs during the **period of insurance**. **We** will also pay the cost to make good any **damage** caused as a consequence of locating the source of leakage or escape.

Loss prevention costs

2. **we** will pay for necessary and reasonable costs that **you** incur to protect the **insured property** from imminent **insured damage**.

Additions to insured property

3. **we** will pay for **damage** occurring during the **period of insurance** to:
   a. any newly acquired or newly erected **buildings** once they have become **your** legal responsibility; and
   b. any additions or improvements to the **buildings** once they are completed and become **your** legal responsibility; and
   c. any additional **contents**;

   provided **you** tell **us** the additional values as soon as possible and pay the appropriate premium.

Selling the buildings

4. if **you** are selling the **buildings**, this **policy** will cover the **buildings** for the buyer against **damage** occurring during the **period of insurance** unless the buyer is insured by, or has the benefit of, any other insurance**.** Cover will start from the time **you** exchange contracts to the time of completion. To obtain the benefit of this additional cover, the buyer must comply with the terms of this **policy**.

Gardens and landscaped grounds

5. **we** will pay for the necessary and reasonable costs **you** incur to restore the garden and landscaped grounds at the **insured premises**, which are owned by **you** or for which **you** are legally responsible, damaged during the **period of insurance** as a result of fire, lightning, explosion, theft, vandalism or collision or impact by a vehicle or aircraft or by falling trees, branches, lampposts, telegraph poles or pylons. The most **we** will pay to replace any one tree, shrub or plant is £250.

Discharge of oil

6. **we** will pay the necessary and reasonable additional costs and expenses **you** incur with **our** consent to decontaminate the land at the **insured premises** as a result of accidental discharge during the **period of insurance** of oil from any storage tank or oil fired heating appliance located at the **insured premises**.

   We will not make any payment for any discharge of oil resulting from electrical or mechanical breakdown.

Metered electricity, water and fuel

7. **we** will pay the cost that **you** incur for any metered electricity, water or fuel loss at the **insured premises** when such electricity, water or fuel has been used, released or rendered unusable for its intended purpose as a direct result of **insured damage** to any electrical equipment, storage tank or piping located at the **insured premises**.

Unauthorised use of utilities

8. **we** will pay the cost that **you** are contractually liable to pay for any unauthorised use of metered water, gas, electricity or telecommunications during the **period of insurance** by a third party provided that **you** discover such unauthorised use during the **period of insurance**.

Costs following glass breakage

9. **we** will pay the following necessary and reasonable costs **you** incur as a result of breakage or scratching, during the **period of insurance,** of glass at the **insured premises**, which belongs to **you** or for which **you** are legally responsible:
   a. temporary boarding-up;

b. repair of window frames or removal or replacement of fixtures and fittings in the course of replacing the glass;

c. replacement lettering or other ornamental work and alarm foil on glass.

Lock replacement and resetting of digital locks

10. **we** will pay for the costs incurred by **you** to replace locks and keys or reset digital locks necessary to maintain the security of the **insured premises** following loss of keys from **your** person or **your** private residence or an authorised representative of **you**, during the **period of insurance**.

Extinguisher , alarm re-setting expenses and fire brigade charges

11. **we** will pay the necessary and reasonable costs and expenses **you** incur in order to refill fire extinguishing appliances, recharge gas flood systems, replace sprinkler heads, refill sprinkler tanks where costs are metered and reset the fire or intruder alarm system following **insured damage** to **insured property. We** will also pay for the cost of any fire brigade charges.

Alternative accommodation

12. **we** will pay for the necessary and reasonable costs of alternative accommodation for **you** or **your tenant** while the **insured premises** or any part are unusable as a result of **damage** to **insured property**. **We** will pay for the period beginning at the date of the **damage** until the **insured premises** are repaired or rebuilt, but for no longer than 24 months.

We will not make any payment for alternative accommodation:

a. where **we** have made a payment under this section for Landlord's rent receivable or under the business interruption section for loss of **rental income**; or

b. in respect of **insured premises** which are used for purposes other than residential.

Landlord's rent receivable

13. **we** will pay for rent that **you** cannot legally recover from the **tenant** and for property management fees which **you** still owe while the **buildings** or any part are unusable as a result of:

a. **damage** to **insured property**;

b. **damage** to **property** within 250 metres of the **insured premises** which prevents **your tenant's** access to the **insured premises** for more than 24 consecutive hours;

c. **public authority restrictions**.

We will not make any payment for landlord's rent receivable:

a. where **we** have made a payment under this section for alternative accommodation or under the business interruption section for loss of **rental income**; or

b. in respect of **insured premises** which are used for purposes other than residential.

Re-letting costs

14. **we** will pay for the necessary and reasonable costs **you** incur in re-letting the **insured premises** if **your tenant** does not return to the **insured premises** following **damage** to **insured property**.

Archaeological discoveries

15. **we** will pay for the necessary and reasonable costs **you** incur following the discovery of archaeological remains during the **period of insurance**, while undertaking any site excavation, provided that:

a. such costs are as a direct result of loss destruction or damage that is necessary in order to comply with **your** statutory obligations; and

b. **you** did not have any knowledge of the presence of archaeological remains prior to the commencement of the site excavation.

Dilapidation

16. **we** will pay the necessary and reasonable costs **you** incur for the clearing and removing of the **tenant's** property from the **insured Premises** following the vacation of such **insured premises** solely due to the liquidation or bankruptcy of the **tenant** or the **tenant's** business during the **period of insurance**.

Exhibition equipment

17. **we** will pay for **damage** occurring during the **period of insurance** to exhibition, display models and similar promotional equipment while at any premises where **you** are attending a promotional event or exhibition in connection with **your business**, provided it is not insured elsewhere.

Fly tipping

18. **we** will pay for the necessary and reasonable costs **you** incur for the removal of rubbish and waste materials which have been illegally deposited in or on the **buildings**, or the land, at the **insured premises**, during the **period of insurance**.

Personal effects

19. **we** will pay for **damage** to **personal effects** occurring within a **building** at the **insured premises** during the **period of insurance,** provided they are not insured elsewhere. However **we** will not make any payment under this Additional cover for **money** or jewellery.

Tree felling or lopping and tree removal

20. **we** will pay for the necessary and reasonable costs **you** incur for the felling, lopping and removing of trees for which **you** are legally responsible at the **insured premises** and which are an immediate threat to the safety of life or of damage to property. **We** will also pay for the necessary and reasonable costs incurred in removing fallen trees and branches from the **insured premises** as a result of **damage** to **insured property** by fire, lightning, explosion, theft, vandalism or collision or impact by a vehicle or aircraft or by falling trees, branches, lampposts, telegraph poles or pylons.

    We will not make any payment for legal or local authority costs in removing trees or for costs incurred in respect of routine maintenance or solely to comply with a preservation order.

Other premises

21. **we** will pay for **damage** occurring during the **period of insurance** to **contents** while temporarily moved to any other premises in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man, and which are occupied by **you**, provided such **damage** is not insured elsewhere.

Temporary removal for cleaning, maintenance, repair or restoration

22. **we** will pay for **damage** occurring during the **period of insurance** to **contents** while at any other premises in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man, for the purpose of cleaning, maintenance, repair or restoration**,** provided such **damage** is not insured elsewhere.

Removal of nests

23. in respect of **insured premises** or the portions thereof occupied for residential purposes only**, we** will pay for the necessary and reasonable costs **you** incur for the removal of wasps nest, bees nests or vermin, occurring during the **period of insurance**, provided their removal does not contravene any regulation or legislation.

Environmental and statutory costs

24. **we** will pay the following necessary and reasonable costs and expenses **you** incur in connection with **damage** covered under this section:

    a. the cost of removing, sorting and segregating debris of **insured property** and **contract works** from the **insured premises** or the area immediately adjacent, including the cost of transporting such debris to the nearest recycling facility;

    b. the cost of clearing, cleaning and repairing drains, gutters and sewers on the **insured premises** which are blocked or damaged;

    c. the cost of abortive repairs, investigations and tests for work no longer necessary, with **our** consent.

    d. the cost of complying with any statutory or local authority requirement regarding the damaged and undamaged parts of the **buildings** or **contract works**, unless notice of such requirement was served before the **damage** and provided the **buildings** or **contract works** were originally built according to any government and local authority regulations in force at that time; and

    d. the cost of complying with any recommendation made under any Energy Performance Certificate or any principle of the BRE Environmental and Sustainability Standard regarding the damaged parts of the **buildings**, provided the **buildings** were originally built according to any such recommendation or principle in force at that time.

Failure of third party insurances

25. **we** will pay for **damage** to **property** occurring during the **period of insurance** in respect of premises not specified on the schedule, where the lessee or freeholder have failed to arrange or maintain cover or have failed to cover them for an adequate amount. **We** will only provide this cover when **you** have an insurable interest in such premises and the responsibility for arranging cover, under the terms of the lease, lies with the lessee or freeholder.

    We will not make any payment:

a. due to the operation of any excess or deductible under any other insurance;

b. where the failure is due to the breach of the terms and conditions under any other insurance;

c. due to the lessee's or freeholder's failure to pursue what would be a valid claim;

d. in respect of premises that are not located in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man;

e. unless **you** provide adequate evidence which confirms that **you** checked the validity and adequacy of the lessee's or freeholder's insurance relating to such premises within the last 12 months; or

f. unless **we** are the sole provider of property insurance for premises owned by **you** in connection with **your business** where **you** are required to arrange such insurance.

Inadvertent omissions

26. Having notified **us** of the intention to insure all **buildings** in connection with the **business** in which **you** have an interest, and it being **your** understanding that all **property** is accounted for, if any such **property** is found to have been omitted, **we** will deem it to be insured within the terms of this **policy**. This is subject to payment of the appropriate premium either from **policy** inception or from the date which **you** became legally responsible for such **property**.

Contract works and site materials

27. **We** will pay for **damage** caused by:

a. fire, lightning, earthquake or explosion;

b. **storm** or **flood**;

c. escape of oil or water from any storage tank, equipment or piping;

d. impact by aircraft or falling aerial device;

e. riot or civil commotion;

f. any other peril required under the terms of a **building contract** not excluded by **What is not covered** below:

to **contract works** and **site materials** occurring during the **period of insurance**.

We will not make any payment if the total value of all contracts relating to the same project of building works at the **insured premises** exceeds the **amount insured** for **contract works** and **site materials**.

What is not covered

We will not make any payment for:

1. **damage** caused by:

a. i. wear and tear, inherent defect, rot, fungus, mould, or any gradually operating cause;

ii. vermin or infestation other than as provided under **What is covered**, **Additional cover,** Removal of nests.

b. chewing, scratching, tearing, denting, vomiting or fouling by pets;

c. dryness or humidity, being exposed to light or extreme temperatures, unless this is a result of **storm** or fire.

d. settlement or bedding down of new structures;

e. settlement or movement of made up ground;

f. coastal or river erosion;

g. collapse or cracking, other than **damage** to the main building resulting from **subsidence**;

h. **subsidence**:

i. to walls, gates, fences, car parks, yards, hard tennis courts, riding arenas, terraces, patios, driveways, private roads, pavements, paths, fixed fuel tanks, swimming pools or hot-tubs unless the main building is physically damaged at the same time and by the same cause;

ii. to solid floors unless the walls are physically damaged at the same time and by the same cause;

i. demolition, building work , groundwork or stoppage of such work at or on the **insured premises** but this exclusion shall not apply where cover is provided under **What is covered**, **Additional cover**, Contract works and site materials;

j. pressure waves caused by aircraft or other aerial devices travelling at supersonic speeds;

k. **storm**, **flood** or falling trees, branches, lampposts, telegraph poles or pylons, to greenhouses, sheds, gazebos, pergolas, arbours, hedges, gates or fences unless the main building is physically damaged at the same time and by the same cause;

l. water leaking from swimming pools or hot-tubs;

m. frost, other than **damage** due to water leaking from burst pipes forming part of the permanent internal plumbing;

n. accidental damage to **contents**;

o. any **virus** or **hacker**;

p. operator error.

2. **damage** to **contents** being cleaned, worked on or maintained .

3. **damage** to any ride-on lawn mower when not in use unless it is kept in a locked building that is of **standard construction**.

4. **damage** to any item of electrical or mechanical plant or equipment directly resulting from its own electrical or mechanical breakdown.

5. misuse, faulty workmanship, defective design or the use of faulty materials.

6. the cost of maintenance or routine redecoration.

7. unexplained loss or disappearance or inventory shortage.

8. **damage** to **insured property** directly or indirectly caused by the cultivation of cannabis or any other drug unless **you**:

   a. ensure that a thorough inspection of the **insured premises** is carried out at least every three months and a written record of such inspections is retained;

   b. obtain and record formal identification for any person before they take occupation of the **insured premises** or any part thereof; and

   c. obtain and retain a written employers' or local authority reference for any person before they take occupation of the **insured premises** or any part thereof.

9. loss due to clerical or accounting errors.

10. loss by fraud or dishonesty other than the direct physical theft of **contents**.

11. financial loss due to **you** parting with title or possession of **property** or rights to **property** prior to receiving payment in full.

12. any indirect losses which result from the incident which caused **you** to claim, other than as provided under **What is covered**, **Additional cover**.

13. **pollution** except **damage** to **insured property** which is caused by:

   a. **pollution** which itself results from **damage** covered under this section; or

   b. **damage** which would otherwise be covered under this section which itself was caused by **pollution**.

   This clause does not apply to the cover under **What is covered**, **Additional cover**, Discharge of oil.

14. a. **damage** to any **buildings**, or **contents** which is directly or indirectly caused by, resulting from or in connection with **terrorism**, or any action taken to control, prevent or respond to **terrorism**, where:

      i. more than 20% of the **buildings'** square footage is occupied for commercial purposes; or

      ii. the **buildings** or **contents** are insured in the name of a sole trader, trustee or executor or beneficiary of a trust or will and where the **buildings** are not solely occupied as the private residence of such person.

      iii. the **buildings** or **contents** are insured in the name of a company, association or partnership.

b. **damage** is directly or indirectly due to the failure in the supply of any gas, water, electricity or phone service which is caused by **terrorism**

If there is any dispute between **you** and **us** over the application of this clause, it will be for **you** to show that the clause does not apply.

15. **damage** in Northern Ireland directly or indirectly caused by civil commotion.
16. **damage** directly or indirectly due to biological or chemical contamination
17. **war**, **confiscation** and **nuclear risks**.
18. damage to **contract works** or **site materials** caused by the **contractor** during the course of any building works.
19. the amount of the **excess**.

How much we will pay

We will pay up to the **amount insured** stated in the schedule unless amended below or in the schedule.

Other costs

We will pay for:

1. the fees of architects, surveyors or consulting engineers to rebuild the **buildings**; and
2. the cost of dismantling, demolishing, shoring up or propping up any part of the **buildings** or **contract works**,

unless limited below or in the schedule.

However, if:

a. any **building** which is for sale at the time of the **damage** occurring suffers a reduction in market value; or

b. **you** choose not to rebuild or repair the **buildings**,

we will pay up to a maximum of £100,000 for the reduction in the market value of the **buildings** immediately following the **damage**, but **we** will not pay more than the cost of rebuilding or repairing the **buildings**.

The reduction in market value must be substantiated by a current member of the Royal Institution of Chartered Surveyors as agreed between **you** and **us**.

We will not pay for the cost of preparing a claim.

Special excess – unoccupied premises

The **excess** that applies to **damage** caused by theft, malicious damage, **storm**, **flood**, sprinkler leakage or escape of water, fuel or oil to **property** at any premises which is **unoccupied** is the amount stated in the schedule.

Rebuilding and repair

We will pay the cost of rebuilding or repairing the **buildings** to a condition equal to but not better or more extensive than their condition when new, other than as provided under **Additional cover**, Environmental and statutory costs. If **you** choose to rebuild or repair the **buildings**, **you** must do so without unreasonable delay.

You may rebuild or replace **buildings** which are totally destroyed in any manner suitable to **your** requirements and/or on another site provided this does not increase the cost.

We will pay the cost of rebuilding or repairing the **contract works** to a condition equal to but not better or more extensive than their condition at the time the **damage** occurred, provided **you** carry out the rebuilding or repair and do so without unreasonable delay.

For **site materials**, at **our** option **we** will repair, restore, replace or pay for any lost or damaged items. **We** will pay the lesser of:

a. **your** liability in respect of the **site materials**;

b. the cost of repair, restoration or replacement at the trade market value of such items.

Repair and replacement of contents

In respect of **contents** other than **personal effects**, **we** will pay the cost of repair or replacement as new.

Repair and replacement of personal effects

In respect of **personal effects**, **we** will pay the cost of repair or replacement as new, but not more than the amount stated in the schedule for each incident of loss.

Inflationary provision cover	Provided that **you** advise **us** of the rebuilding value of the **buildings** and replacement value of the **contents** at the beginning of each **period of insurance**, the **amount insured** will be automatically increased by an additional percentage to take account of any inflationary increases over both the **period of insurance** and the period needed to rebuild, repair or replace the **insured property**. **Your** schedule will show if inflationary provision cover applies and the additional percentage amount.
Under insurance	If, at the time of **damage we** establish that the **amount insured** does not represent: 1. the amount it would cost to reinstate the **buildings**, including an allowance for other costs; or 2. the total value of the **contents**; **we** will reduce the amount **we** pay for any claim or loss in the proportion that the premium **you** have paid bears to the premium **we** would have charged **you** if **you** had declared the actual cost of reinstatement or the total value of the **contents**. **We** will only apply this calculation if: 1. **we** establish that the values declared to **us** for the **buildings** are less than 85% of the actual reinstatement cost or **we** find that the **amount insured** for **contents** is less than 85% of the total value of **contents**; and 2. **we** establish that **your** failure to declare the actual reinstatement cost or the total value of the **contents** was not deliberate or reckless and was a breach of **your** obligation to a. make a fair presentation of the risk to **us** before the start of the **period of insurance**; or b. notify **us** of a change of circumstances in relation to the reinstatement cost of the **buildings** or the total value of the **contents**, which may materially affect the **policy**; or c. make a fair presentation of the risk to **us** when notifying **us** of a change of circumstances in relation to the reinstatement cost of the **buildings** or the total value of the **contents** which may materially affect the **policy**. This remedy may apply in addition to General conditions 2.b.ii. and 4.b.ii. If **your** failure to declare the actual reinstatement cost was deliberate or reckless, the remedy under General conditions 2.a. or 4.a. will apply.
Other interests	Any payment **we** make will take into account the interest of any party having an insurable interest in the **insured property**, provided **you** have advised **us** of the nature and extent of the interest together with the name and address of that interested party.
Storm and flood	Where **damage** has been caused by **storm** or **flood**, **we** will treat all **damage** to **insured property** at any one location occurring during any period of 72 consecutive hours as one claim provided that all the **damage** occurs within the **period of insurance**. **You** may select when the 72 hour period starts.

Special limits

Outdoor household items	The most **we** will pay for **damage** to outdoor furniture, heaters, ornaments, statues and other similar items that are normally left outdoors is the amount shown in the schedule.
Outbuildings	The most **we** will pay for **damage** to **insured property** in any outbuildings, garages, gazebos, pergolas, arbours, greenhouses or sheds is the amount shown in the schedule.
Water table	The most **we** will pay for **damage** to **insured property** caused by a rise in the water table is the amount shown in the schedule.
Undamaged parts of buildings	The most **we** will pay for the cost of modification or replacement to undamaged parts of the **buildings** that form part of a suite, common design or function is the amount shown in the schedule.

Your obligations

If any damage occurs

We will not make any payment under this section unless **you**:

1. notify **us** promptly of any **damage** which might be covered;
2. report to the police, as soon as is reasonably possible, any **damage** arising from theft, arson, malicious damage, riot or civil commotion and obtain a crime reference from them;
3. arrange for urgent repairs to be done immediately. Before any other repair work begins **we** have the right to inspect the damaged **property**. **We** will tell **you** if **we** want to do this.

Building works

If **you** or anyone on **your** behalf intends to undertake any work to extend, renovate or build on any part of the **buildings** at the **insured premises** and the estimated cost is more than £250,000, **you** must tell **us** about the work at least 30 days before the work starts and before **you** enter into any contract for the works. **We** may change the terms and conditions of this **policy** or impose additional requirements that **you** must carry out. If **we** impose additional requirements **we** will tell **you** the timeframes within which **you** must carry them out. If **you** do not tell **us**, **we** will not make any payment for **damage** directly or indirectly caused by or resulting from the building works.

You do not have to tell **us** if the work is for redecoration only.

Protections

You must advise **us** as soon as **you** become aware, if for any reason, any fire alarms, security systems or physical protections installed at the **insured premises** are not working properly. **We** may then vary the terms and conditions of this **policy**. All systems must be regularly serviced under contract by a reputable company at least annually.

We will not make any payment under this section in respect of any incident occurring while **you** are not in compliance with this condition unless **you** can demonstrate that such non-compliance could not have increased the risk of the **damage** occurring in the circumstances in which it occurred.

Unoccupied buildings

You must advise **us** of any **buildings** that become **unoccupied** and must also ensure that:

1. all the gas and electrical services, except electrical circuits required to operate any fire or intruder alarm system, have been turned off;
2. except where there are sprinklers installed, the water system is turned off and completely drained or the central heating system maintained at a temperature of five degrees Celsius during the period 1st October to 1st April of each year;
3. where sprinklers are installed, the central heating system is maintained at a temperature of five degrees Celsius during the period 1st October to 1st April of each year;
4. the letter box and other unprotected apertures have been sealed shut;
5. all waste and combustible contents, including any new accumulations, are removed from the **insured premises**;
6. the **buildings** are secured against unlawful entry by applying all door and window locking mechanisms and setting all security systems;
7. a thorough inspection of the **insured premises** is carried out at least every 14 days and a written record of such inspections is retained; and
8. **you** tell us within seven days of **you** becoming aware of any **damage** or unauthorised entry.

We will not make any payment under this section in respect of any incident occurring while **you** are not in compliance with this condition unless **you** can demonstrate that such non-compliance could not have increased the risk of the **damage** occurring in the circumstances in which it occurred.

Special conditions

Non-invalidation

An insured claim for **damage** to **insured property** will not be invalidated by any act, omission or alteration that increases the risk of **damage** to such **insured property** provided:

1. **you** were not aware of such act, omission or alteration; and
2. **you** notify **us** as soon as **you** become aware of any such act, omission or alteration.

Building contracts

For the duration of the **building contract**, the insurance cover provided under this **policy** for the **buildings**, the **contract works** and the **site materials** is considered to be held jointly by **you** and the **contractor**, but only in so far as this is required under the terms of the **building contract**.

Property – business interruption
Policy wording

Please read the schedule to see if **your** loss of **rental income** is covered or if a **first loss limit** applies.

The General terms and conditions and the following terms and conditions all apply to this section.

Special definitions for this section

Annualised amount insured The **amount insured** divided by the **indemnity period** multiplied by 12.

Annualised declared amount The **declared amount** for **your actual rental income** divided by the **indemnity period** multiplied by 12.

Declared amount Any amount stated in the schedule which **you** have declared as **your** actual **rental income**.

First loss limit Any **amount insured** stated in the schedule as a first loss limit, where, with **our** consent, **you** have selected a limit that is less than **your** declared **rental income**.

Increased costs of working The costs and expenses necessarily and reasonably incurred by **you** for the sole purpose of minimising the reduction in **rental income** from **your business** during the **indemnity period**, but not exceeding the reduction in **rental income** saved.

Indemnity period The period, in months, beginning at the date of the **insured damage** or the date the restriction is imposed, and lasting for the period during which **your rental income** is affected as a result of such **insured damage** or restriction, but for no longer than the number of months stated in the schedule.

Rental income Money paid or payable to **you** by **tenants**, including ground rent and property management fees, for services provided by **you** as owner of the **insured premises**.

What is covered

We will insure **you** for **your** loss of **rental income**, resulting solely and directly from an interruption to **your business** caused by:

Insured damage

1. **the insured premises** becoming unusable as a result of **insured damage** to **property** insured under the Insured property section of this **policy**.

Undamaged parts of the insured premises

2. **insured damage** to **insured property** which causes the termination or delay in the completion of any lease agreement relating to any undamaged part of the **insured premises**.

Denial of access

3. **damage** to **property** in the vicinity of the **insured premises** which prevents or hinders the **tenant's** access to the **insured premises**;

Public utilities

4. failure in the supply of:
   a. water;
   b. gas;
   c. electricity; or
   d. telecommunications,

   to the **insured premises** for more than 24 consecutive hours caused by **insured damage**, other than **damage** caused by **flood** or **earth movement**, to:

   i. any land based premises of a service provider operating and based in the European Union (including in the **United Kingdom**, the Channel Islands, the Isle of Man or Gibraltar);
   ii. the terminal feed to the **insured premises**; or
   iii. underground cables conveying such services from the service provider to the **insured premises**.

Public authority

5. the **tenant's** inability to use the **insured premises** due to restrictions imposed by a public authority during the **period of insurance** following:

a. a murder, rape or suicide;

b. an occurrence of any human infectious or human contagious disease, an outbreak of which must be notified to the local authority;

c. defects in the drains or other sanitary arrangements at the **insured premises**; or

d. vermin or pests at the **insured premises**;

Legionella

6. the **tenant's** restricted use of the **insured premises** by order of advice of the appropriate local authority due to an outbreak of legionellosis, during the **period of insurance**, at the **insured premises**.

We will also pay, with **our** consent, up to £25,000 for the cost of cleaning and decontamination of air conditioning or water supply equipment, at the **insured premises**, following such restriction.

Managing agents

7. **insured damage** to **property** at the premises of any managing agent employed to collect rent on **your** behalf, provided:

a. **we** will not make any payment for **rental income** which at the time of such **damage** is outstanding for more than 120 days of its due date

b. all reasonable measures are taken to recover the loss of **rental income**; and

c. such loss of **rental income** is not insured elsewhere.

Loss of attraction

8. **insured damage** to **property** in the vicinity of the **insured premises**, which results in a fall in the number of customers to the **insured premises**, however **we** will not make any payment:

a. for first 12 hours of the **indemnity period**; or

b. as a result of **damage** by **storm** or **flood**

Unlawful occupation

9. the **tenant's** inability to use or access the **insured premises** due to any premises in the vicinity, including the **insured premises**,:

a. having restrictions on its access imposed by a public authority as a result of its occupation by terrorists or persons suspected to be terrorists;

b. having restrictions on its access imposed by a public authority as a result of it containing or being suspected to contain a harmful device; or

c. being unlawfully occupied by third parties, other than as a result of a dispute between any employer and their employees.

We will not make any payment for:

i. any occurrence preventing or hindering use or access for less than 12 hours;

ii. any loss arising from **damage** to **property** or as a direct result of repairs or maintenance being carried out to any premises;

iii. any loss arising from any cause within **your** control;

Additional cover

The following are also provided up the amount stated in the schedule:

Loss of investment income

1. If a payment is made from **us** to **you** for loss of **rental income** following **insured damage** and the payment is made after the date on which **you** would normally have expected to receive the payment for rent, **we** will pay an amount for the investment income **you** would have lost in that period. This amount will be calculated using the bank interest rate applicable at the time.

Property management fees

2. **We** will pay for property management fees which **you** still owe while the **buildings** or any part are unusable as a result of the following:

a. **insured damage** to the **insured premises**;

b. **insured damage** to **property** within 250 metres of the **insured premises** which prevents or hinders **your tenant's** access to the **insured premises** for more than 24 consecutive hours;

c. any public authority restriction of access to the **insured premises**.

We will not make any payment for property management fees where **we** have made a payment under the insured property section, for tenant's alternative accommodation.

Outstanding debts

3. **We** will pay for any of **your** outstanding debts which **you** are unable to recover following loss of **your** accounting records as a direct result of **insured damage**.

Business rates

4. **We** will pay for the national non-domestic rates which apply to the **insured premises** and for which **you** are legally responsible for the period that the **insured premises** is unsuitable for normal use or occupation as a direct result of **insured damage** to the **insured premises**.

Accelerated reinstatement costs

5. **We** will pay the costs and expenses necessarily and reasonably incurred by **you** with **our** prior written consent for the sole purpose of minimising the reduction in **rental income** from **your business** for a further twelve months after the **indemnity period** for loss of **rental income** has ended, provided that:
   a. the **indemnity period** for loss of **rental income** is not less than 36 months; and
   b. **you** have not caused or contributed to any excessive delay in the reinstatement or repair of the **insured premises**.

Buildings awaiting sale

6. If at the time of **insured damage you** have contracted to sell **your** interest in any **insured premises** and the sale is cancelled or delayed solely as a result of such **insured damage**, **we** will pay at **your** option one of the following:
   a. during the period prior to the date upon which but for the **insured damage** the **insured premises** would have been sold, the loss of **rental income**; or
   b. during the period commencing from the date upon which the **insured premises** would have been sold and ending with the actual completion date of the sale or the expiry of the **indemnity period** if earlier:
      i. interest payable by **you** on capital borrowed which, but for the **insured damage**, would be available from the proceeds of the sale, for investment in the **business**; and
      ii. investment interest lost by **you** on any balance of the sale proceeds after the deduction of capital borrowed as detailed under 6.b.i. above,

      less any **rental income** received.

What is not covered

We will not make any payment if **your** activities as a property owner are discontinued permanently or if a liquidator or receiver is appointed.

How much we will pay

We will pay up to the **amount insured** unless limited below or stated in the schedule. **We** will pay for no longer than the **indemnity period** stated in the schedule against each insured item.

If **you** are accountable to the tax authorities for Value Added Tax, the amount **we** pay will be exclusive of such tax.

The amount **we** pay for each item will be calculated as follows:

We will pay up to £25,000 for loss of **rental income** caused by **insured damage** to:

1. any newly acquired or newly erected **buildings** once they have become **your** legal responsibility;
2. any additions or improvements of **standard construction** to the **buildings** once they are completed and become **your** legal responsibility; or
3. any additional **contents**;

provided **you** tell **us** the additional **rental income** as soon as possible and pay the appropriate premium.

Rental income

The difference between **your** actual **rental income** during the **indemnity period** and the **rental income** it is estimated **you** would have earned during that period or, if this is **your** first trading year, the difference between **your rental income** during the **indemnity period** and during the period immediately prior to the loss, less any savings resulting from the reduced costs and expenses **you** pay out of **your rental income** during the **indemnity period**.

Rent free periods

If at the date of **insured damage** the **insured premises** are subject to a rent free period under the terms of the lease or tenancy agreement, the **indemnity period** will be extended by the unexpired portion of the rent free period.

Accountant's charges

The amount **we** will pay for loss of **rental income** includes the reasonable charges **you** pay to **your** professional accountant for producing information **we** require in support of a request for settlement under this section.

Under insurance

If, at the time of **insured damage** or restriction, **we** establish that:

1. the **annualised amount insured**; or
2. the **annualised declared amount**, where **you** have selected a **first loss limit** which is stated on the schedule;

does not represent **your** actual **rental income** during the 12 months immediately preceding the date of the **insured damage** or restriction, **we** will reduce the amount **we** pay in the proportion that the premium **you** have paid bears to the premium **we** would have charged **you** if **you** had declared **your** actual **rental income**.

We will only apply this calculation if:

1. **we** establish that the **annualised amount insured** is less than 85% of **your** actual **rental income** during the 12 months immediately preceding the start of the **period of insurance**; and
2. **we** establish that **your** failure to declare **your** actual **rental income** was not deliberate or reckless and was a breach of **your** obligation to make a fair presentation of the risk to **us** before the start of the **period of insurance**.

This remedy may apply in addition to General condition 2. b.ii. If **your** failure to declare **your** actual **rental income** was deliberate or reckless, the remedy under General condition 2.a. will apply.

Your obligations

If any damage occurs

We will not make any payment under this section unless **you** notify **us** promptly of any **damage** or event which might prevent or hinder **you** from carrying on **your business**.

Property insurance

Where the **damage** involves property **you** own or are legally responsible for, **we** will not make any payment unless **we** have paid **your property damage** claim or admitted liability under the Property section of this **policy**.

Accounts records

You must keep a record of all amounts owed to **you** and keep a copy of the record away from the **insured premises**. If **you** do not, **we** may reduce any payment **we** make under this section by an amount equal to the detriment **we** have suffered as a result.

Terrorism extension

The General terms and conditions, the terms and conditions of the Insured property and business interruption sections and the following terms and conditions all apply to this section.

Special definitions for this extension

CBRN incident

Any chemical, biological, radiological or nuclear incident where the proximate cause is a **terrorist act**.

Covered property section

Any section of this **policy** where cover is provided for **damage** to **your property** or **property** for which **you** are legally responsible.

Damage

Also includes contamination arising from a **CBRN incident**.

Insured damage by terrorism

Damage occurring during the **period of insurance** and caused by a **terrorist act** to **insured property**, provided that:

1. the **insured property** is located within England, Wales or Scotland but not the territorial seas adjacent to England, Wales and Scotland as defined by the Territorial Sea Act 1987 or the Channel Islands or the Isle of Man; and
2. the **terrorist act** has been certified as such by Her Majesty's Government or Her Majesty's Treasury or any successor authority.

Interference with a computer system

1. Any 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. This includes, but is not limited to, Trojan Horses, worms and logic bombs;
2. any access or attempted access to data or information made by means of misrepresentation or deception;
3. 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 including, but 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; or
4. unauthorised access to any computer or other equipment or component or system or item which processes, stores or retrieves data, whether **your property** or not.

Terrorist act

An act of any person 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 or as otherwise defined in the Reinsurance (Acts of Terrorism) Act 1993 or any amendments to such Act as may be made from time to time.

What is covered

Insured damage by terrorism

1. **We** will insure **you** against **insured damage by terrorism**.

Business interruption

2. Where an **amount insured** is shown for business interruption in the terrorism section of the schedule, **we** will also insure **you** for **your** financial losses resulting solely and directly from an interruption to **your business** caused by **insured damage by terrorism**. **We** will pay for no longer than the period shown in the schedule against each insured item.

Any exclusion relating to **terrorism** or **nuclear risks** within any property section of this **policy** will not operate to negate the coverage given under this section.

What is not covered

We will not make any payment for **damage**:

1. caused by **war**, riot or civil commotion.
2. to or the alteration, modification, distortion, erasure or corruption of:

Terrorism extension

a. any computer system or other equipment or component or system or item which processes, stores, transmits or receives data; or

b. any part of such system, equipment, component or item, whether tangible or intangible including, but not limited to, any information or program or software; or

c. data processed by any such computer or other equipment or component or system or item;

whether **your property** or not, where such **damage**, alteration, modification, distortion, erasure or corruption is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from any **interference with a computer system**.

3. to any nuclear installation or nuclear reactor.
4. to any **property**:

   a. not insured under any property section of this **policy**;

   b. which is specifically excluded elsewhere in this **policy**; or

   c. covered by any form of transit, marine or aviation insurance policy.

How much we will pay

We will pay up to the **amount insured** shown in the **covered property sections** and the business interruption section(s) in the schedule. However, the most **we** will pay for all losses under this extension is the amount shown in the property – terrorism section of the schedule, regardless of the number of **terrorist acts**.

Your obligations

Maintaining insurance

You, and any parent or subsidiary of **you**, must maintain cover for **terrorist acts** on all **property** within England, Wales and Scotland which is owned by **you**, including any **property** which is not insured by **us**.

Where an **amount insured** is shown in the terrorism section of the schedule, **you** must also maintain cover for all **insured property** under the appropriate property section of this **policy**.

Where **we** become aware that **you** or any parent or subsidiary of **you** are not complying with either of the obligations listed above, **we** will not make any payment under this extension for any **damage** caused by a **terrorist act**.

Onus of proof

In any action lawsuit or other proceedings or where **we** state any **insured damage by terrorism** is not covered by this section, it will be **your** responsibility to prove otherwise.

NaCTSO discount

Where is it shown in the schedule that a NaCTSO membership discount applies **you** must have engaged in a National Counter Terrorism Security Office (NaCTSO) initiative and are actively undertaking and implementing an action plan. The discount only applies where **you** participate in the crowded places programme and **you** must advise **us** if **you** no longer continue to do so.

Additional terms

The following terms and conditions of the **policy** shall not apply to the coverage provided by this extension:

1. any long-term agreement
2. any premium rebate agreement
3. any terms and conditions which provide for adjustment of the premium based upon declarations by **you**
4. any extension to cover **property** which is located outside England, Wales or Scotland; or
5. any provision for a premium refund following cancellation. In the event **you** cancel the coverage under this extension any unpaid premium for the **period of insurance** must be paid to **us**.

Crisis containment
Policy wording

The General terms and conditions and the following terms and conditions all apply to this section.

Special definitions for this section

Crisis
A time of severe difficulty in **your** activities or danger to **your business** as a result of an **insured incident** that could, if left unmanaged, cause adverse or negative publicity of or media attention to **you** or **your business**.

Crisis containment costs
Reasonable and necessary costs incurred in utilising the services of the **crisis containment provider** to limit or mitigate the impact of a **crisis**.

Crisis containment provider
The person or company named in the schedule.

Insured incident
An incident, act or problem that in **your** good faith opinion could potentially give rise to a covered claim being made by **you** under any other section of this **policy**.

Working hours
The hours between 09:00 and 17:00 on any day other than Saturday, Sunday or a public holiday.

What is covered

Crisis containment costs

We will pay **crisis containment costs** incurred within the **geographical limits** with **our** prior written consent as a direct result of a **crisis** commencing during the **period of insurance**.

Outside working hours discretionary crisis mitigation costs

We will also pay **crisis containment costs** incurred within the **geographical limits** without **our** consent in carrying out immediate work outside of **working hours** to limit or mitigate the impact of the **crisis**. Any such work done by the **crisis containment provider** will not be confirmation of cover under this or any other section of this **policy**.

What is not covered

We will not make any payment for:

1. **crisis containment costs** relating to any claim or part of a claim not covered by this **policy**.
2. **crisis containment costs** relating to any:
   a. claim under any **Management liability – employment practices liability** section;
   b. employment claim under any **Management liability – directors and officers'** section or **Management liability – trustees and individual liability** section.
3. costs which are covered under any other section of this **policy**.
4. any **crisis containment costs** directly or indirectly due to:
   a. any incident, act, investigation or problem that affects **your** profession or industry; or
   b. governmental regulations which affect another country or **your** profession or industry; or
   c. any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America; or
   d. socioeconomic changes or business trends which affect **your business** or **your** profession or industry.

Crisis containment
Policy wording

How much we will pay

The most **we** will pay under this section is the amount shown in the schedule, irrespective of the number of **crises** or **insured incidents**. **We** will pay the **crisis containment provider** directly for **crisis containment costs** covered under this section of the **policy**.

All **crises** arising from the same original cause, a single source or a repeated or continuing problem will be regarded as one **crisis**. This includes such **crises** arising after, as well as during, the **period of insurance**.

Your obligations

We will not make any payment under this section unless **you** notify any **crisis** in accordance with either of the following:

If a crisis arises during working hours

1. If **you** first become aware of the **crisis** during **working hours you** must notify **us** of it immediately by phoning **us** on the number stated in the schedule.

   We will then determine if the incident, act or problem that **you** have notified would give rise to a covered claim under any other section of this **policy**. If **we** determine this to be the case then **we** will contact the **crisis containment provider** to assist **you** in the management of the **crisis**.

   If **we** determine that the incident, act or problem that **you** have notified would not result in a covered claim under any other section of this **policy** then **we** will not make any payment under this section.

   You must co-operate fully with **us**, the **crisis containment provider** and any of **our** representatives in the management of the **crisis**.

If a crisis arises outside of working hours

2. If **you** first become aware of the **crisis** outside of **working hours you** must notify the **crisis containment provider** immediately by phoning them on the number stated in the schedule. **You** must also notify **us** of the **crisis** as soon as possible within **working hours** by telephoning the number stated in the schedule.

   You must co-operate fully with the **crisis containment provider** in the management of the **crisis**.

HISCOX

Property owner's liability
Policy wording

The General terms and conditions and the following terms and conditions all apply to this section.

What is covered

Claims against you

If, as a result of **your** ownership or legal responsibility for any **insured property**, any party brings a claim against **you** for **bodily injury** or **property damage** occurring during the **period of insurance**, **we** will indemnify **you** against the sums **you** have to pay as compensation.

This includes a claim against any person who was, is or during the **period of insurance** becomes **your** director, partner or employee when they are acting on **your** behalf in whatever capacity.

We will also pay **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

Claims against third parties

If, as a result of **your** ownership or legal responsibility for any **insured property**, any party brings a claim, which falls within the scope of **What is covered**, Claims against you, against any party with whom **you** have entered into a contract or agreement in connection with the **insured property** and **you** are liable for that claim, **we** will treat such claim as if made against **you** and make the same payment to such party that **we** would have made to **you**, provided that they:

a. have not, in **our** reasonable opinion, caused or contributed to the claim against them;

b. accept that **we** can control the claim's defence and settlement in accordance with the terms of this section;

c. have not admitted liability or prejudiced the defence of the claim before **we** are notified of it;

d. give **us** the information and co-operation **we** reasonably require for dealing with the claim.

Cross liabilities

If more than one insured is named in the schedule, **we** will deal with any claim as though a separate policy had been issued to each of them provided that **our** liability in the aggregate shall not exceed the limit of indemnity shown in the schedule.

Overseas personal liability

We will indemnify **you** and if **you** so request, any of **your** directors, partners or trustees against legal liability as a result of **bodily injury**, **property damage** or **personal injury** incurred in a personal capacity whilst temporarily outside the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man other than:

a. where indemnity arises out of the ownership or occupation of land or buildings;

b. where indemnity is provided by any other insurance.

Contingent motor liability

If any party brings a claim against **you** for **bodily injury** or **property damage** occurring during the **period of insurance** and arising from any mechanically propelled vehicle, or any trailer attached to it, being used in connection with **your business** within the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man, **we** will indemnify **you** against the sums **you** have to pay as compensation.

We will not make any payment for any claim:

a. arising from any mechanically propelled vehicle, or any trailer attached to it, which is:

  i. owned by **you**;

  ii. loaned, leased, hired or rented to **you**;

  iii. provided by **you**; or

  iv. being driven by **you**;

b. for **property damage** to the vehicle or the trailer itself or to any goods carried in or on the vehicle or trailer;

c. arising from the vehicle being driven by any person who to **your** knowledge or that of **your** representatives does not hold a licence to drive the vehicle; or

d. more specifically insured under another insurance policy.

Movement of obstructing vehicles

If any party brings a claim against **you** for **bodily injury** or **property damage** occurring during the **period of insurance** and arising from any mechanically propelled vehicle, or any trailer attached to it, being driven by **you** or any **employee** within the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man, **we** will indemnify **you** against the sums **you** have to pay as compensation.

We will not make any payment for any claim arising from any mechanically propelled vehicle, or any trailer attached to it, which is:

a. owned by **you** or loaned, leased, hired or rented to **you**; or

b. being used where insurance or security is required under the provisions of any road traffic legislation.

We will not make any payment for any claim unless the mechanically propelled vehicle, or any trailer attached to it, is:

i parked on or obstructing premises:

- which are owned or rented by **you**; or
- where **you** are carrying out **your business**; and

ii being driven:

- for the sole purpose of allowing free movement of other vehicles or pedestrians;
- by a person competent to drive the vehicle; and
- with the full permission of the vehicle's owner.

We will not make any payment for **property damage** to the vehicle or the trailer itself or to any goods carried in or on the vehicle or trailer.

Legionella

If, as a result of **your** ownership or legal responsibility for any **insured property**, any party brings a claim against **you** for **bodily injury** occurring during the **period of insurance** arising out of any discharge, release or escape of legionella or other airborne pathogens at the **insured premises**, **we** will indemnify **you** against the sums **you** have to pay as compensation.

We will not make any payment for any claim arising from **your** failure to comply with all statutory obligations in respect of the maintenance and cleaning of water tanks, water systems, air conditioning plants, cooling towers and similar or equivalent systems.

Libel and slander

If any party brings a claim against **you** for libel and slander committed without animosity by reason of words written or uttered by **you** during the **period of insurance**, in the performance of **your business we** will indemnify **you** against the sums **you** have to pay as compensation.

We will not make any payment for any claim:

a. arising from the content of any journal or publication or any communication or contribution to the press or media or;

b. for libel or slander against professional adversaries or business competitors or;

c. arising from any infringement of the Data Protection Act 1998 or any subsequent amendment.

Criminal proceedings costs

If any governmental, administrative or regulatory body brings any criminal action against **you** during the **period of insurance** for any breach of statute or regulation directly relating to any actual or potential claim under this section, **we** will pay the costs incurred with **our** prior written consent to defend such an action against **you**.

Representation costs

We will pay legal fees incurred with **our** prior written agreement to represent **you** at any coroners inquest or fatal accident enquiry in respect of any death directly relating to any actual or potential claim under this section.

Defective Premises Act

If, during the **period of insurance**, **you** dispose of any premises in connection with **your business** and any party brings a claim against **you** under Section 3 of the Defective Premises Act 1972) or Article 5 of the Defective Premises (Northern Ireland) Order 1975, **we** will pay for the sums **you** have to pay as compensation. **We** will also pay **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

We will not in any event make any payment for any:

a. liability where **you** are entitled to cover under any other insurance;

b. costs of remedying any actual or alleged defect, which if not remedied may result in a claim.

Clean-up costs

We will pay the **clean-up costs** of **pollution** by **you** as a result of **your business**, but **we** will not make any payment for **clean-up costs**:

1. unless the **pollution** is caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the **period of insurance**;
2. which are intended to prevent the imminent threat of **pollution** without there already being **pollution** caused by sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the **period of insurance**;
3. to remedy the condition of any property owned, leased or rented by **you**;
4. arising out of **pollution** occurring outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, or the Isle of Man;
5. to reinstate or reintroduce any flora or fauna;
6. which improves the condition of the land, atmosphere, watercourse, body of water, building or structure beyond that required by any governmental, administrative or regulatory body.

Additional cover

Data protection act

We will indemnify **you** against **your** liability under Section 13 of the Data Protection Act 1998 in connection with personal data held by **you,** arising as a result of **your business**, but **we** will not make any payment for:

a. any act or omission from which liability arises which does not occur during the **period of insurance**;

b. any liability where **you** are entitled to indemnity under any other insurance;

c. any claim for the cost of replacing, reinstating, rectifying, erasing, blocking or destroying any personal data;

d. any claim arising from circumstances that **you** knew about or ought reasonably to have known about prior to the inception of this **policy**;

Court attendance compensation

If any person within the definition of **you** has to attend court as a witness in connection with a claim against **you** covered under this section, **we** will pay **you** compensation for each day, or part of a day, that their attendance is required by **our** solicitor.

What is not covered

A. **We** will not make any payment for any claim or loss directly or indirectly due to:

Insured property

1. loss of or damage to any **insured property**, including the resulting loss of use of any **insured property**.
2. the ownership, possession, maintenance or use by **you**, **your employees** or **your tenant** of any aircraft or other aerial device, **drone**, hovercraft, watercraft or any mechanically propelled vehicles and their trailers. This does not apply to:
   a. any domestic gardening equipment;
   b. the loading or unloading of any vehicle off the highway.

Injury to employees

3. **bodily injury** to any person arising out of and in the course of their employment under a contract of service or apprenticeship with **you**.

Pollution

4. a. i. any **pollution** of buildings or other structures or of water or land or the atmosphere; or
   ii. any **bodily injury** or **property damage** directly or indirectly caused by **pollution**;

   unless caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the **period of insurance**;

   b. any **pollution** occurring in the United States of America or Canada.

Computer virus	5.	transmission of a computer **virus**.
Professional advice	6.	designs, plans, specifications, formulae, directions or advice prepared or given by **you**.
Your products	7.	The costs of recalling, removing, repairing, reconditioning or replacing any **product** or any of its parts.
	8.	a. Any **products** relating to aircraft, including missiles or spacecraft, and any ground support or control equipment used in connection with such **products**;
		b. any **products** installed in aircraft, including missiles or spacecraft, or used in connection with such craft, or for tooling used in their manufacture including ground-handling tools and equipment, training aids, instruction manuals, blueprints, engineering or other data, advice and services and labour relating to such craft or **products**.
		c. any **products** relating to **drones** or self-balancing scooter.
Deliberate or reckless acts	9.	any act, breach, omission or infringement **you** deliberately, spitefully, dishonestly or recklessly commit, condone or ignore which could reasonably be expected to cause injury or damage to another party even if such injury or damage is of a different degree or type than could reasonably have been anticipated.
Contracts	10.	**your** liability under any contract which is greater than the liability **you** would have at law without the contract.
War and nuclear	11.	**war** or **nuclear risks**.
Asbestos	12.	**asbestos risks**.
	B.	**We** will not make any payment for:
Restricted recovery rights	1.	that part of any claim where **your** right of recovery is restricted by any contract.
Non-compensatory payments	2.	fines and contractual penalties, punitive or exemplary damages.
Claims outside the applicable courts	3.	any claim, including arbitration, brought outside the countries set out in the schedule under applicable courts. This applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts.
Claims outside the geographical limits	4.	any claim brought against **you** resulting from any activity **you** undertake in any country outside the **geographical limits**.

How much we will pay

We will pay up to the limit of indemnity shown in the schedule for each actual or threatened claim, unless limited below. **We** will also pay for **defence costs**. However, if a payment greater than the limit of indemnity has to be made for a claim **our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid. **You** must pay the **excess** for each claim.

All claims which arise from the same original cause, a single source or a repeated or continuing shortcoming in **your** activity will be regarded as one claim.

Special limits

Terrorism

The most **we** will pay for claims and their **defence costs** arising from **terrorism** is the amount shown in the schedule. If **we** decide that this limit applies to a claim, it is **your** responsibility to prove that the claim does not arise from **terrorism**.

Pollution

For claims arising from **pollution** including **clean-up costs** and claims arising from any discharge, release or escape of legionella or other airborne pathogens, the most **we** will pay is a single limit of indemnity for the total of all such claims and their **defence costs**, including any claims forming part of a series of other claims regarded as one claim under this section. The most **we** will pay for **defence costs** in relation to **pollution** claims including **clean-up costs** and claims arising from any discharge, release or escape of legionella or other airborne pathogens is the amount shown in the schedule. **You** must pay the relevant **excess** shown in the schedule.

Clean-up costs

For claims arising from **clean-up costs**, the most **we** will pay is the amount stated in the schedule for the total of all such claims and their **defence costs**, including any claims forming part of a series of other claims regarded as one claim under this section.

Legionella

For claims arising from any discharge, release or escape of legionella or other airborne pathogens, the most **we** will pay is the amount stated in the schedule for the total of all such claims and their **defence costs**, including any claims forming part of a series of other claims regarded as one claim under this section.

Claims brought against you in USA or Canada

If it is stated in the schedule that cover is provided for claims brought in the United States of America or Canada, the most **we** will pay is a single limit of indemnity for the total of all such claims and their **defence costs**. **You** must pay the relevant **excess** shown in the schedule.

Criminal proceedings costs

The most **we** will pay for the costs to defend criminal proceedings is the amount shown in the schedule. This applies to all actions brought against **you** during the **period of insurance**.

Representation costs

The most **we** will pay for representation costs is the amount shown in the schedule. This applies to all costs incurred in relation to any and all deaths occurring during the **period of insurance**.

Court attendance compensation

We will pay **you** the following compensation for each day, or part day:

1. **Your** partner or director £250
2. Any other employee £100

The most **we** will pay for the total of all court attendance compensation is £10,000.

Paying out the limit of indemnity

At any stage **we** can pay **you** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will pay **defence costs** already incurred at the date of **our** payment. **We** will then have no further liability for those claims or their **defence costs**.

Special condition

Death of an insured person

In the event of the death of any person for whom **we** have agreed to provide indemnity under this section, **we** shall continue to provide indemnity to the personal representatives of such person, provided that the personal representatives:

a. have not, in **our** reasonable opinion, caused or contributed to the claim;
b. accept that **we** can control the claim's defence and settlement in accordance with the terms of this section;
c. have not admitted liability or prejudiced the defence of the claim;
d. give **us** the information and co-operation **we** reasonably require for dealing with the claim.

Your obligations

We will not make any payment under this section:

If a problem arises

1. unless **you** notify **us** promptly of any claim or threatened claim against **you**. For claims arising out of **bodily injury**, **you** must notify **us** immediately and in any event within seven days of a claim or anything which may give rise to a claim under this section. At **our** request, **you** must confirm the facts in writing within 30 days with as much information as is available.

   You should make this notification directly to **us** (and **your** insurance adviser, if **you** have one) ensuring **you** quote **your** policy number.
2. unless **you** notify **us** as soon as practicable of any threatened criminal action by any governmental, administrative or regulatory body.

Admission of liability

When dealing with **your** client or a third-party, **you** must not admit that **you** are liable for what has happened or make any offer, deal or payment, unless **you** have **our** prior written agreement. If **you** do, **we** may reduce any payment **we** make under this section by an amount equal to the detriment that **we** have suffered as a result.

You must also not reveal the amount of cover available under this insurance, unless **you** had to give these details in negotiating a contract with **your** client or have **our** prior written agreement.

Control of defence

We have the right, but not the obligation, to take control of and conduct in **your** name, the investigation, settlement or defence of any claim. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. **We** may appoint **your** own solicitor but on a similar-fee basis as **our** solicitor and only for work done with **our** prior written approval. Proceedings will only be defended if there is a reasonable prospect of success and taking into account the commercial considerations of the costs of defence.

Employers' liability
Policy wording

The General terms and conditions and the following terms and conditions all apply to this section.

Special definitions for this section

Terrorism

An act, including but not limited to the use of force or violence and/or the threat of force or violence, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

What is covered

Claims against you

If any **employee** brings a claim against **you** for **bodily injury** caused to them during the **period of insurance** arising out of their work for **you** within the **geographical limits**, **we** will indemnify **you** against the sums **you** have to pay as compensation.

This includes a claim against any person who was, is or during the **period of insurance** becomes **your** director, partner or **employee** when they are acting on **your** behalf in whatever capacityThe amount **we** pay will include **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

Claims brought by partners and directors

If any partner or director named as the insured in the schedule brings a claims against **you** for **bodily injury** caused to them during the **period of insurance** arising out of their work for **you** within the **geographical limits**, **we** will indemnify **you** against the sums **you** have to pay as compensation, provided that the **bodily injury** is caused by an **employee** or another partner or director of **yours**.

The amount **we** pay will include **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

Criminal proceedings

If any governmental, administrative or regulatory body brings any criminal action against **you** during the **period of insurance** for any breach of statute or regulation directly relating to any actual or potential claim under this section, **we** will pay the costs incurred with **our** prior written consent to defend such an action against **you**.

Representation costs

We will pay legal fees incurred with **our** consent to represent **you** at any coroners inquest or fatal accident enquiry in respect of any death directly relating to any actual or potential claim under this section.

Claims against principals

If, as a result of **your business**, any party brings a claim, which falls within the scope of **What is covered**, Claims against you, against any other party with whom **you** have entered into a contract or agreement in connection with **your business** and **you** are liable for that claim, **we** will treat such claim as if made against **you** and make the same payment to such party that **we** would have made to **you**, provided that they:

a. have not, in **our** reasonable opinion, caused or contributed to the claim against them;

b. accept that **we** can control the claim's defence and settlement in accordance with the terms of this section;

c. have not admitted liability or prejudiced the defence of the claim before **we** are notified of it;

d. give **us** the information and co-operation **we** reasonably require for dealing with the claim.

Unsatisfied court judgments

If any **employee** obtains a judgment for damages following **bodily injury** against any company or individual operating from premises within the United Kingdom of Great Britain and Northern Ireland, the Isle of Man or the Channel Islands and that judgment remains unpaid for more than six months, **we** will pay to the **employee** at **your** request the amount of any unpaid damages and awarded costs provided that:

a. the **bodily injury** is caused during the **period of insurance** and arises out of and in the course of his or her employment in **your business**; and

b. **we** would have covered **your** liability if **you** had caused the **bodily injury**; and

c. there is no appeal outstanding; and

d. the **employee** assigns his or her judgment to **us**.

Additional cover

Court attendance compensation

If any of **your** directors, partners, trustees, committee members, senior managers or officers in actual control of **your** operations or any other **employee** has to attend court as a witness in connection with a claim against **you** covered under this section, **we** will pay **you** compensation for each day, or part of a day that their attendance is required by **our** solicitor.

What is not covered

We will not make any payment for:

1. any claim or part of a claim or loss directly or indirectly due to:

Deliberate or reckless acts

a. any act, breach or omission **you** deliberately or recklessly commit, condone or ignore.

Offshore

b. any **bodily injury** caused to any of **your employees** while they are offshore. An **employee** is regarded as being offshore from the moment they board any form of transport at the departure point for an offshore rig or platform until the moment they disembark on their return from the rig or platform.

Road traffic legislation

c. any **bodily injury** to any **employee** while being carried in or upon, or entering or getting onto, or alighting from a vehicle for which insurance or security is required under any road traffic legislation or where **you** are entitled to indemnity from any other source.

Placed personnel

d. any **bodily injury** to any person supplied by **you** to a client under contract.

Claims outside the applicable courts

2. any claim, including arbitration, brought outside the countries set out in the schedule under applicable courts.

This applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts.

How much we will pay

We will pay up to the limit of indemnity stated in the schedule, unless limited below.

All claims, losses and **defence costs** relating to one or more **employees** which arise from any one incident or event will be regarded as one claim. This includes such claims, losses and **defence costs** arising after, as well as during, the **period of insurance**, but does not include criminal proceedings costs.

Special limits

Terrorism

The most **we** will pay for claims and their **defence costs** arising from **terrorism** is the amount stated in the schedule. If **we** decide that this limit applies to a claim, it is **your** responsibility to prove that the claim does not arise from **terrorism**.

Criminal proceedings costs

We will pay up to the amount stated in the schedule for the costs to defend criminal proceedings. This applies to all actions brought against **you** during the **period of insurance**.

Representation costs

The most **we** will pay for representation costs is the amount shown in the schedule. This applies to all costs incurred in relation to any and all deaths occurring during the **period of insurance**.

Additional cover

Court attendance compensation

We will pay **you** compensation, as stated in the schedule, for each day or part day that any of **your** directors, partners, trustees, committee members, senior managers or officers in actual control of **your** operations or other **employees** are required to attend court in relation to a claim covered under this section. The most **we** will pay for the total of all court attendance covered under this section is stated in the schedule.

Employers' liability
Policy wording

Your obligations

You must provide **us** with the following information for each entity insured under this section of the **policy**:

1. employer name; and
2. full address of employer including postcode; and
3. HMRC Employer Reference Number (ERN).

If any insured entity does not have an ERN, **you** must confirm to **us** which of the following reasons applies:

a. the entity has no employees; or

b. all staff employed earn below the current Pay As You Earn (PAYE) threshold; or

c. the entity is not registered in England, Wales, Scotland or Northern Ireland.

You must inform **us** immediately of any changes to the above information.

If a problem arises

1. **We** will not make any payment under this section unless **you** notify **us**:

   a. immediately and in any event within seven days of a claim or anything which may give rise to a claim under this section for or arising out of **bodily injury**;

   b. promptly of any:

      i. other claim or anything which may give rise to any other claim; or

      ii. threatened criminal action by any governmental, administrative or regulatory body.

   At **our** request, **you** must confirm the facts in writing within 30 days with as much information as is available.

   You should make this notification directly to **us** (and **your** insurance adviser, if **you** have one) ensuring **you** quote **your** policy number.

2. When dealing with **your employee** or a third party, **you** must not admit that **you** are liable for what has happened or make any offer, deal or payment, unless **you** have **our** prior written agreement. If **you** do, **we** may reduce any payment **we** make under this section by an amount equal to the detriment that **we** have suffered as a result.

Control of defence

We have the right, but not the obligation, to take control of and conduct in **your** name, the investigation, settlement or defence of any claim. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. **We** may appoint **your** own solicitor but on a similar-fee basis as **our** solicitor and only for work done with **our** prior written approval. Proceedings will only be defended if there is a reasonable prospect of success and taking into account the commercial considerations of the costs of defence.

Compulsory insurance clause

This insurance is in accordance with the provisions of any law relating to compulsory insurance of liability to employees in the United Kingdom of Great Britain and Northern Ireland, the Isle of Man, the Channel Islands or the Continental Shelf around these countries. **You** must repay all payments **we** make which **we** would not have been liable to pay in the absence of such law.

Employers' Liability Tracing Office

Your policy details will be added to the employers' liability database, managed by the Employers Liability Tracing Office (ELTO). This data will be available for search by registered users as well as individual claimants on a limited basis, who wish to verify the employers' liability insurer of an employer at a particular point in time.

You can find out more:

– from **your** insurance adviser (if **you** have one); or

– by contacting **us**; or

– at www.elto.org.uk

Management liability – directors and officers' liability

Policy wording

The General terms and conditions and the following terms and conditions all apply to this section. Cover under this section is given on an each and every claim or loss basis unless otherwise specified.

Special definitions for this section

Applicable courts

The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.

Bodily injury

Mental or emotional distress, sickness, disease, bodily injury or death suffered by anyone.

Bail costs

Costs incurred with **our** prior written agreement to pay for a bond or other financial instrument to guarantee an **insured person's** bail or equivalent in any other jurisdiction.

Claim

1. Any written demand or civil, criminal, regulatory or arbitration proceeding first made against an **insured person** during the **period of insurance** alleging a **wrongful act** and seeking monetary damages or other legal relief or penalty.
2. Any **extradition proceeding** made against an **insured person** during the **period of insurance**.

Defence costs

1. Reasonable costs, not including any overheads, additional costs or remuneration, incurred with **our** prior written agreement to investigate, settle or defend any **claim** made against an **insured person** or to fund an appeal, including any premium paid for an appeal bond or similar bond obtained in relation to it, arising from any judgment, decision or award in relation to any **claim**.
2. **Emergency defence costs**.

Deprivation of assets expenses

The amounts for which an **insured person** is contractually committed to pay for:

1. school fees for the **insured person**'s immediate family;
2. rent or mortgage payments on the **insured person**'s principal residence, not including any mortgage overpayments;
3. utilities supplied to the **insured person**'s principal residence; and
4. insurance premiums that are personal to the **insured person** and their immediate family.

Emergency defence costs

Reasonable and necessary costs, not including any overheads, additional costs or remuneration to investigate or defend any **claim** (other than an **employment claim**) made against an **insured person**, where it is not possible to obtain **our** prior written agreement, provided that **you** or the **insured person** notify **us** as soon as possible after such sums are incurred.

Emergency legal representation costs

Reasonable and necessary costs, not including any overheads, additional costs or remuneration to investigate or respond to any **investigation**, where it is not possible to obtain **our** prior written agreement, provided that **you** or the **insured person** notify **us** as soon as possible after such sums are incurred.

Employee

1. Any person under a contract of service with **you**.
2. Any independent person seconded to **you**.
3. Any applicant or candidate for employment with **you**.

Employee contract benefits

Any amounts awarded to an **employee** in respect of:

1. remuneration, including incentives, bonus, commission, health benefits, holiday or notice pay, whether under statute or contract;
2. family leave payments, including maternity pay, paternity pay, parental leave pay, shared parental leave pay or adoption pay, whether under contract or statute;
3. amounts due under an employee benefit or pension scheme;
4. share or stock options;
5. deferred compensation; or
6. equal pay or redundancy pay.

Employment claim

Any **claim** by any **employee** for any actual or alleged:

1. wrongful, unfair or constructive dismissal, discharge or termination of employment;
2. breach of written or implied contract of employment;
3. employment related misrepresentation;
4. wrongful deprivation of a career opportunity, failure to grant tenure or negligent employee evaluation;
5. harassment, unlawful discrimination or failure to provide adequate employee procedures and policies;
6. retaliation; or
7. defamation or invasion of privacy,

arising solely as a result of the employment or non-employment by **you** of such **employee**.

Extradition proceeding

Any proceeding commenced under the provisions of the United Kingdom Extradition Act 2003 or any similar or successor legislation in any other jurisdiction, including any associated appeals.

Health and safety/ manslaughter claim

Any **claim** under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974 or any similar or successor legislation.

Health and safety/ manslaughter investigation

Any **investigation** under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974 or any similar or successor legislation.

Insured person

1. Any natural person who was, is, or during the **period of insurance** becomes a director, partner, member or officer of **you**.
2. Any de facto director of **you** whilst acting in such capacity for **you**.
3. Any shadow director as defined under Section 251 of the Companies Act 2006 or any similar or successor legislation in any other jurisdiction.
4. Any **employee** of **you**.
5. The lawful spouse, civil or unmarried partner of any person in 1 to 4 above solely because of their spousal, civil or unmarried partner relationship following a **claim** or **investigation** against that person.
6. The estates, heirs or legal representatives of any person in 1 to 5 above who has died or become incapacitated, insolvent or bankrupt but only for a **claim** or **investigation** against that person.

Insured person does not include any external auditor or any liquidator, receiver, administrative receiver or other insolvency practitioner or officer of **you** or **your** assets.

Investigation

An official examination, official enquiry or official investigation into **your business** activities, or into an **insured person**, arising from activities performed in their capacity as an **insured person**, first notified as being required during the **period of insurance** and conducted by any regulator, government department or other body legally empowered.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not solely related to **your** or any **insured person's** conduct.

Investigation mitigation costs

Reasonable and necessary costs incurred by an **insured person** to prevent or minimise the likelihood of an **investigation** or mitigate the potential consequences of an **investigation** which, if such steps were not taken, would be likely to result in an **investigation** being brought against such **insured person** that would be covered by this section of the **policy** or would be likely to increase the severity of such an **investigation**.

Legal representation costs

1. Reasonable and necessary legal costs, fees, charges and expenses, not including any overheads, additional costs or remuneration, for which **you** are legally liable, incurred with **our** prior written agreement for legal representation directly in relation to an **investigation**.
2. **Emergency legal representation costs**.

Loss

In respect of a **claim** or **investigation** the amount any **insured person** becomes legally liable to pay, including following a settlement entered into with **our** written agreement, for:

1. awards of damages, including punitive, exemplary and multiplied damages and civil fines and penalties if insurable in the jurisdiction where such award was first ordered;
2. claimants' legal costs and expenses;
3. **defence costs** and **legal representation costs**; and
4. **public relations expenses**.

Loss does not include any criminal fines or penalties, regulator's costs or expenses (including Health and Safety Executive fees for intervention or similar regulator's costs and expenses), taxes (except for personal tax liability), remuneration, **employee contract benefits**, or punitive, exemplary and multiplied damages in relation to an **employment claim**.

Outside entity

Any organisation other than **you**:

1. that is tax exempt and not for profit; or
2. in which **you** hold any issued share.

Outside entity does not include:

1. any company which is registered or domiciled outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar;
2. any company whose securities are traded on any stock exchange in the USA or Canada; or
3. any bank, investment company, investment advisor or manager, hedge or mutual fund, private equity or venture capital company, stock brokerage, insurer, or any similar financial organisation or institution including any organisation regulated by the FCA, PRA or any similar regulator.

Pollution

Any actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any solid, liquid, gaseous or thermal contaminant or irritant, including, but not limited to, lead, smoke, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals or waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed), or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any such material.

Pre-investigation costs

Reasonable and necessary costs incurred by an **insured person** with **our** prior written agreement to notify a regulator, government department or other body legally empowered of any material breach, incident or event occurring within the **geographical limits** where such notice is obligatory and it is likely that a covered **investigation** will be brought as a result of the notification.

Prior and pending date

The date on which **you** first purchased directors' and officers' liability insurance that has run continuously without a break in cover. If since that date **you** have merged or consolidated with another company, or any party has acquired more than 50% of **your** issued share capital or the majority of **your** voting rights, the 'prior and pending date' will be the date of such merger, consolidation or acquisition.

Property damage

The loss, damage or destruction of any tangible property including loss of use of such property.

Public relations expenses

The reasonable and necessary costs incurred with **our** prior written agreement in utilising the services of a public relations consultant.

Securities

Any debt or equity interest in **you**.

Subsidiary

Any entity domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar in which **you**:

1. own directly or through one or more of **your** subsidiaries more than 50% of the share capital or a majority of the voting rights or have the right to appoint or remove a majority of the entity's board of directors; or
2. control a majority of its voting rights under a written agreement with other shareholders or members.

If an entity ceases to be a **subsidiary** during the **period of insurance**, cover will continue but only for a **claim** or **investigation** against an **insured person** arising from any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place before it ceased to be a **subsidiary**.

Wrongful act

Any actual or alleged act, error or omission committed or attempted by an **insured person** arising from the performance of the **insured person**'s duties solely in their capacity as a director, partner, member, officer or **employee** of:

1. **you**; or
2. for the purposes of the cover in **What is covered**, Outside entity, an **outside entity**,

   including:

   a. breach of any duty, including fiduciary or statutory duty, breach of confidence or data loss;

   b. breach of trust;

   c. negligence, negligent misstatement, misleading statement or negligent misrepresentation;

   d. defamation;

   e. wrongful trading under Section 214 of the Insolvency Act 1986 or any similar or successor legislation, including its equivalent legislation in any other jurisdiction;

   f. breach of warranty of authority; or

   g. any other act, error or omission attempted or allegedly committed or attempted by an **insured person** solely because of their status as a director, partner, member, officer or **employee** of **you**.

You/your

Also includes any **subsidiary**:

1. existing at the start of the **period of insurance**;
2. created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary** does not trade any of its securities on any stock exchange.

What is covered

1. Claims against an insured person

Losses including defence costs

a. **We** will pay on behalf of any **insured person** the **loss** arising from a **claim** against any **insured person** for any **wrongful act** within the **geographical limits**, including any:

Health and safety/ manslaughter

i. **health and safety/ manslaughter claim**;

Pension or employee benefit schemes

ii. **claim** arising from an **insured person**'s operation or administration of any pension or employee benefit scheme or trust fund of **yours**;

Pollution

iii. **claim** arising from **pollution**;

Employment claims

iv. **employment claim**. This cover does not apply if the **insured person** is covered under the **Management liability – employment practices liability** section of this **policy**;

Outside entity

v. **claim** arising directly from any activity performed by an **insured person** in their capacity as a director or officer of an **outside entity**, provided that the **insured person** acts in that capacity at **your** specific written request. However, **we** will only pay in excess of any indemnity provided by the **outside entity** to its directors, partners, members or officers or any other insurance available to such individuals for such **claim**;

Cyber and data

vi. **claim** arising from the misuse of data or any computer hardware or software, including a breach of the Data Protection Act 1998 or any similar or successor legislation;

Bodily injury and property damage

vii. **claim** for **bodily injury** or **property damage**, other than any **claim** brought by or on behalf of any party who:

   a. suffered the **bodily injury**; or

b. owns or is legally responsible for the tangible property that suffered such **property damage**.

Defence costs only

b. **We** will pay on behalf of any **insured person** the **defence costs** only arising from a **claim** for any **wrongful act** within the **geographical limits**:

Bodily injury and property damage

for any **claim** brought by or on behalf of any party who:

i. suffered the **bodily injury**; or

ii. owns or is legally responsible for the tangible property that suffered such **property damage**.

Emergency defence costs

c. **We** will pay **emergency defence costs** in relation to a covered **claim**.

2. Investigations

Losses including legal representation costs

a. **We** will pay on behalf of any **insured person** the **loss** arising from an **investigation** arising from any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place within the **geographical limits**, including any:

Health and safety/ manslaughter

i. **health and safety/ manslaughter investigation**;

Pension or employee benefit schemes

ii. **investigation** arising from an **insured person**'s operation or administration of any pension or employee benefit scheme or trust fund of **yours**;

Pollution

iii. **investigation** arising from **pollution**;

Outside entity

iv. **investigation** arising directly from any activity performed by an **insured person** in their capacity as a director or officer of an **outside entity**, provided that the **insured person** acts in that capacity at **your** specific written request. However, **we** will only pay in excess of any indemnity provided by the **outside entity** to its directors or officers or any other insurance available to such individuals for such **investigation**;

Cyber and data

v. **investigation** arising from the misuse of data or any computer hardware or software, including a breach of the Data Protection Act 1998 or any similar or successor legislation;

Bodily injury and property damage

vi. **investigation** arising from **bodily injury** or **property damage**.

Investigation mitigation costs

b. **We** will also pay **investigation mitigation costs** in relation to a covered **investigation**, provided that:

i. where reasonably possible, the **insured person** must obtain **our** prior written agreement before incurring such costs. Where it is not possible to obtain **our** written agreement, the **insured person** must notify **us** as soon as possible after such sums are incurred; and

ii. **we** will not pay for the costs incurred in dealing with routine business, regulatory, legal, compliance or other matters, which could lead to an **investigation** if not complied with.

We will not make any payment for any part of an **investigation** not covered by this section.

Pre-investigation costs

c. **We** will pay **pre-investigation costs** in relation to a covered **investigation**.

Emergency legal representation costs

d. **We** will pay **emergency legal representation costs** in relation to a covered **investigation**.

3. Entity reimbursement

We will pay on **your** behalf the **loss** which **you** are legally obliged or permitted to pay on behalf of an **insured person** arising from a covered **claim** or **investigation**. If **you** are permitted or obliged to provide such payment but fail to do so for any reason other than **your** insolvency, regardless of whether **you** advanced payment or indemnified an **insured person** for such **loss**, **we** will pay the amount of the **claim** or **investigation** less any relevant **excess**.

4. Additional covers

a. **We** will pay on behalf of any **insured person**:

Extradition proceedings

i. the **loss** arising from any **extradition proceeding** against any **insured person** during the **period of insurance** arising from any **wrongful act**, act, incident or occurrence performed, taking place or alleged to have taken place within the **geographical limits**;

Deprivation of assets expenses

ii. their **deprivation of assets expenses**, if, as a direct result of a covered **claim** or **investigation**, an interim or interlocutory order:

a. confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of an **insured person**; or

b. creating a charge over real property or the personal assets of the **insured person**;

is made, other than where the court has made an allowance for the **insured person** in respect of such sums;

Public relations expenses

iii. **public relations expenses** following a covered **claim** or **investigation** to mitigate the actual or potential adverse effect on their reputation by disseminating news of a final adjudication that absolved them of any fault. The **insured person** must obtain **our** prior written agreement before incurring such costs;

Bail costs

iv. **bail costs** arising from a covered **claim** or **investigation**;

Personal tax liability

v. their liability occurring in the **period of insurance** within the **geographical limits** under any insolvency rules or insolvency legislation to pay **your** unpaid taxes following **your** insolvency, dissolution, administration or winding up, where such liability arises solely as a result of the **insured person's** status as **your** director, partner, member or officer;

Additional defence costs and legal representation costs

vi. additional **defence costs** and **legal representation costs** in the event that the limit of indemnity for this section is exhausted, provided that the **insured person** has previously not been the subject of a **claim** or **investigation** that led to the exhaustion of the limit of indemnity for this section.

Where an **insured person** has been the subject of such a **claim** or **investigation**, any amount **we** will pay on behalf of that individual will be reduced by an amount equal to the amount of that **claim** or **investigation** or the part of that **claim** or **investigation** relating to such individual.

We will only pay in excess of any other insurance available to such individuals.

Court attendance compensation

b. If any **insured person** has to attend court as a witness in connection with a **claim** or **investigation** covered under this section, **we** will pay **you** compensation for each day, or part of a day that their attendance is required by **us**.

What is not covered

We will not make any payment for any **claim**, **loss**, **investigation**, or any other liability under this section:

Deliberate or dishonest acts

1. against or suffered by an **insured person** based upon, attributable to or arising out of:

a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation;

b. an act intended to secure or which does secure a personal profit or advantage to which the individual concerned was not legally entitled;

c. an act intended to secure or which does secure a profit for any other company or entity to which that company or entity was not legally entitled,

where such act or omission was committed or condoned by that **insured person**.

These exclusions will only apply after a judgment or other final adjudication or an admission by the **insured person** that such act or omission did occur. In the event of such finding or admission, the **insured person** must reimburse all payments made by **us** in relation to the corresponding **claim**, **loss** or **investigation**.

Prior claims and litigation

2. based upon, attributable to or arising out of:
   a. anything that has been reported to and accepted under any policy existing or expired, before the start of the **period of insurance**; or
   b. any prior or pending litigation or proceedings, including allegations deriving from the same or essentially the same facts, involving an **insured person**, **you** or an **outside entity**, initiated before the **prior and pending date**.

Securities offerings

3. based upon, attributable to or arising out of any **claim** or **investigation** in relation to any actual public offering of **your securities**.

   This exclusion does not apply to a failed public offering of **your securities**.

Claims brought by a related party in the United States of America

4. based upon, attributable to or arising out of any **claim** brought or maintained by **you**, an **outside entity** or an **insured person** within or subject to the laws of the United States of America. This exclusion will not apply to:
   a. **defence costs**;
   b. any shareholder derivative proceedings in **your** name without **your** or any **insured person**'s solicitation, assistance or participation;
   c. any **claim** brought by **your** liquidator, receiver or administrative receiver or similar body;
   d. any **employment claim**;
   e. any **claim** made by a former **insured person**; or
   f. any **claim** seeking a contribution or indemnity if such **claim** is otherwise covered by this section.

Bodily injury and property damage in relation to motor vehicles

5. for **bodily injury** or **property damage** arising from the use, ownership or possession of any motor vehicle in relation to which the **insured person** is obliged under any compulsory insurance law to maintain insurance in respect of any liability.

Pollution clean-up costs

6. based upon, attributable to or arising out of any:
   a. statutory, contractual or common law obligation **you** or an **insured person** have to clean up or remedy any **pollution** or contamination; or
   b. land or property being identified as contaminated land under the Environmental Protection Act 1990 or any similar or successor legislation.

Takeovers and mergers

7. based upon, attributable to or arising out of any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken, after:
   a. **you** merge or consolidate with another company; or
   b. any party acquires:
      i. more than 50% of **your** issued share capital;
      ii. the majority of **your** voting rights; or
      iii. the right to appoint or remove a majority of **your** board of directors.

Changes to subsidiaries

8. based upon, attributable to or arising out of any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place:
   a. before the date of creation or acquisition by **you** of such **subsidiary**; or
   b. after an entity ceases to be a **subsidiary**.

Financial advantage

9. based upon, attributable to or arising out of the gaining of any financial advantage to which the **insured person** was not entitled, including the repayment of any wrongfully received monies.

Defined benefit pension schemes

10. based upon, attributable to or arising out of an **insured person**'s operation or administration of any defined benefit pension scheme or their breach of any legislation or regulation relating to these activities.

Claims outside the applicable courts

11. first brought outside the **applicable courts**.

    This exclusion also applies to proceedings in the **applicable courts** to enforce, or which are based on, a judgment or award from outside the **applicable courts**.

Defence costs only

12. other than **defence costs** for any **claim** covered under **What is covered**, **1. Claims against an insured person**, b. **Defence costs only**.

Special conditions

General terms

The General definitions, General conditions and General claims conditions set out in the **General terms and conditions** all apply equally to each **insured person** and to **you**, except for General condition 6, Premium payment which applies only to **you**.

General conditions 3 and 4 shall not apply to this section.

General condition 7. Cancellation shall only apply to this section at the end of the **period of insurance** or the anniversary date whichever comes first.

You agree to act on behalf of all the **insured persons** as regards paying the premium and giving or receiving notice of all matters relevant to this section.

Information provided by an insured person

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person** and as such the knowledge of or any statement made by an **insured person** will not be imputed to any other **insured person** for the purposes of determining whether cover is available for any **claim** or **investigation** against such other **insured person**.

Severability of exclusions

When determining the applicability of the exclusions within **What is not covered**, the **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place of one **insured person** shall not be imputed onto any other **insured person** who neither committed nor condoned such **wrongful act**, act, incident or occurrence.

Extended notification period

If:

1. **we** or **you** refuse to renew this section of the **policy** for any reason other than non-payment of premium, administration, liquidation or insolvency; or
2. **you** merge or consolidate with another entity or any party acquires more than 50% of **your** issued share capital or the majority of **your** voting rights during the **period of insurance**;

you or any **insured person** may purchase an extended notification period, in accordance with the options stated below:

One-year period	50% of the annual premium for this section
Three-year period	100% of the annual premium for this section
Six-year period	200% of the annual premium for this section

If **you** do so, **we** will cover an **insured person** for any covered **claim**, **loss** or **investigation** arising during the extended notification period, subject to the terms and conditions of this section. **We** will not cover any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place after the end of the original **period of insurance**.

This extended notification period is only available if **we** receive written notice of purchase from **you** or an **insured person** and the premium is paid to **us** within 90 days following the end of the **period of insurance**.

If **you** or an **insured person** does so, the first paragraph 1a. under **Your obligations** in this section will then be amended to:

a. unless **you** or any **insured person** notifies **us** as soon as reasonably practicable and within the **period of insurance** or the extended notification period of the following:

The limit of indemnity for the extended notification period will be part of and not in addition to the limit of indemnity stated in the schedule.

The entire premium for this section is considered fully earned at the beginning of the extended notification period. **We** will not refund any premium if **you** or any **insured person** cancels the extended notification period before it ends.

You or any **insured person** will not have the right to purchase an extended notification period if:

1. cover under this section is continued solely as a result of the former directors special condition or an extended notification period;

2. this section of the **policy** is replaced or succeeded by any other policy providing directors' and officers' liability cover; or
3. this section or the **policy** is cancelled, other than by **you** on an anniversary date.

If **we** offer renewal terms, conditions, limits of liability or premium different from those of the expiring policy, this does not constitute a refusal to renew.

Management buy-outs

If during the **period of insurance** the existing management conduct a management buy-out, **we** agree to provide cover to the same level and terms of this **policy** for the new company for a period of 30 days from the buy-out date for any **wrongful act**, act, incident or occurrence performed, or taking place, or alleged to have taken place by any individual **insured person** subsequent to the buy-out.

We will only provide such cover if the new company is domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar.

This cover will only apply excess of any other insurance and indemnification available from any other source.

Former directors

In the event that **you** do not renew or replace this section of the **policy,** and only in respect of any **insured person** who ceases to be a director, partner, member or officer of **you** prior to the date of non-renewal for reasons other than disqualification from holding such position or **your** insolvency, administration or liquidation, this section shall continue in force indefinitely from the date of non-renewal, provided that:

1. this section shall only apply to **claims** or **investigations** arising from any **wrongful act**, act, incident or occurrence performed, or taking place, or alleged to have taken place prior to the date that the **insured person** ceased to be a director, partner, member or officer of **you**;
2. no similar insurance is effected elsewhere; and
3. this section or the **policy** has not been cancelled, other than by **you** on an anniversary date.

How much we will pay

The most **we** will pay for each **claim**, **loss**, **investigation**, or any other covered liability, including their **defence costs** and **legal representation costs** is the limit of indemnity stated in the schedule.

All **claims**, **losses**, **investigations**, or any other covered liabilities and circumstances likely to give rise to a **claim**, **loss**, **investigation**, or any other covered liability, which arise from the same original cause, a single source or a repeated or continuing shortcoming will be regarded as one claim under the **policy**. This includes **claims**, **losses**, **investigations**, and any other covered liabilities arising after, as well as during, the **period of insurance**.

Each **claim**, **loss**, **investigation**, or other covered liability shall be treated as first made when **we** receive notice of the first **claim**, **loss**, **investigation**, or other covered liability.

You must pay any relevant **excess** stated in the schedule.

Paying out the limit of indemnity

At any stage of a **claim**, **investigation**, or any other covered liability, **we** can pay the **insured person** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will then have no further liability for that **claim**, **loss**, **investigation** or any other covered liability.

Special limits

All special limits below are included within, and not in addition to, the limit of indemnity stated on the schedule.

The most **we** will pay in total for each item below is the corresponding amount stated in the schedule, regardless of the number of **claims**, **losses** or **investigations**, or any other covered liabilities:

Public relations expenses

1. **public relations expenses**;

Emergency defence costs

2. **emergency defence costs**;

Emergency legal representation costs

3. **emergency legal representation costs**;

Deprivation of assets expenses

4. **deprivation of assets expenses**;

Personal tax liability

5. cover under **What is covered**, **4. Additional covers**, v. Personal tax liability;

Bodily injury and property damage

6. **defence costs** under **What is covered**, **1. Claims against an insured person**, b. **Defence costs only**, Bodily injury and property damage. This does not apply to **health and safety/manslaughter claims**;

Investigation mitigation costs

7. **investigation mitigation costs**;

Pre-investigation costs

8. **pre-investigation costs**;

Bail costs

9. **bail costs**; and

Court attendance compensation

10. court attendance compensation, including any court attendance compensation payable under any Management liability sections of this **policy**.

Additional cover

The limit below is in addition to the limit of indemnity stated on the schedule.

Additional defence costs and legal representation costs

The most **we** will pay in total for all **defence costs** and **legal representation costs** under **What is covered**, **4. Additional cover**, vi. Additional defence costs and legal representation costs, is the amount stated in the schedule, regardless of the number of **claims** and **investigations**.

Your obligations

Notification

1. **We** will not make any payment under this section:
   a. unless **you** or any **insured person** notifies **us** as soon as reasonably practicable of the following within the **period of insurance** or at the latest within 90 days after it expires for any problem **you** or such **insured person** becomes aware of within the 30 days before expiry:
      i. the **insured person's** first awareness of any **wrongful act** that is likely to lead to a **claim**;
      ii. any **claim** or anything likely to lead to a **claim** against an **insured person**;
      iii. any **investigation** into **you** or an **insured person**;
      iv. the threat or commencement of any disqualification proceedings against any **insured person**; or
      v. the **insured person**'s first awareness of any act, omission or occurrence that is likely to lead to any other covered liability,
   b. to any **insured person** if, prior to the **period of insurance**, such **insured person** had knowledge of a material misstatement in or omission from the information provided to **us** upon which **we** agreed to insure **you**.
2. When dealing with a third party, **you** or the **insured person** must not admit that **you** or the **insured person** are liable for what has happened, or make any offer, deal or payment without **our** prior written agreement. If **you** or an **insured person** does, **we** may reduce any payment **we** make under this **policy** by an amount equal to the detriment **we** have suffered as a result.

Control of defence and payment under this section

You and any **insured person** must give **us** the information and co-operation which **we** may reasonably require and take all reasonable steps to defend any **claim**, **investigation**, or any other covered liability. **You** and the **insured person** should not do anything which may prejudice **our** position.

We have the right, but not the obligation, to take control of and conduct in **your** name or the name of any **insured person**, the investigation, settlement or defence of any **claim**, **investigation**, or any other covered liability. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the **claim**, **investigation**, or any other covered liability.

Where there is a dispute between **us** and any **insured person** over cover, proposed settlement or continuing the defence of a **claim**, **investigation**, or any other covered liability, the **insured person** or **we** may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a different jurisdiction. Such opinion shall be binding on **us** and **you** and any **insured person** and will establish whether policy cover exists, defence of said **claim**, **investigation**, or any other covered liability will continue or settlement will be agreed. The costs of such opinion shall be met by **us**.

We shall pay **defence costs** and **legal representation costs**, above any **excess**, covered by this section on an ongoing basis prior to the final resolution of any **claim**, **investigation**, or any other covered liability. **You** and/or any **insured person** must reimburse **us** for any **defence costs** and **legal representation costs** paid where it is determined there is no entitlement under this section.

If a **claim** or **investigation** is made which is not wholly covered by this section or is also made against an **insured person** and any other party which is not covered under this section, **we** and the **insured person** shall use our best endeavours to agree a fair allocation between **loss** that is covered and **loss** not covered by this section.

Hiscox
1 Great St Helen's
London EC3A 6HX

T +44 (0)20 7448 6000
E enquiry@hiscox.com
www.hiscox.co.uk