property
protector

Property Owners Prime

Policy Wording

Underwritten by

Lloyd's Syndicate 457, managed by Munich Re Syndicate Limited

Contents

About Your Policy
This Policy has been prepared in accordance with *Your* instructions. It is a legal contract. Please read it carefully to ensure that it is in accordance with *Your* requirements and that *You* understand its limits, terms, conditions and exclusions. The insurance broker or other intermediary who arranged this Insurance should be contacted immediately if any correction is necessary.

This Policy consists of:

- the **General Insuring Clause** which explains the basis on which cover is provided;

- the ***Schedule* / Risk Details** which states who the *Insured* is, what is being covered and other terms, such as the *Period of Insurance,* details of which Sections of the Policy operate, the types of losses insured, *Limits of Liability* and matters and amounts for which *You* are responsible;

- **Definitions** which define particular words and expressions applying to the whole of this Policy or, where specifically stated, applying to a particular Section;

- the **Sections** of the Policy which give precise details of the cover being provided;

- the **Extensions to all/ Specified Sections** of the Policy detail the extensions provided to the coverage under the Sections;

- the **General Conditions** and **General Exclusions** of cover applying to the whole of this Policy or, where specifically stated, applying to a particular Section;

- any **Endorsements** which might apply to the Policy or individual Sections and which incorporate Extensions, limitations, amendments and such like.

Change in your circumstances - *You* should immediately notify the *Insurer* via *Your* insurance broker or other intermediary of any changes which
may affect the insurance provided by this Policy.

Mid term adjustments and any Alterations to the cover required after issue of the Policy will be confirmed by separate *Schedules* and/or Endorsements which *You* should file with the Policy. *You* should refer to these *Schedules* and/or Endorsements and the Policy to ascertain precise details of cover currently in force.

Cancellation
This Policy may be cancelled by *You* on the terms detailed in the General Conditions.

Making a Claim
If *You* need to make a claim, please check the relevant section of the Policy for the cover that is being provided,
then refer to the claims notification instructions within the How to Make a Claim Section of the Policy on Page. Please note that any fraudulent or deliberately misleading
statement will invalidate *Your* claim and may affect *Your* insurance cover.

Making a Complaint
If *You* are not happy with *Our* service, please see the Complaint Procedure details provided within the How to make a Complaint section on Page 55

General Insuring Clause

In return for the payment of premium, the *Insurer* agrees to provide *You* with the cover set out in this Property Owners Insurance Policy, subject to all of its terms and conditions, during the *Period of Insurance.*

The *Insurer* has relied on the information provided by *You* or anyone else acting on *Your* behalf, including the accuracy of such information, in the application process for this insurance, which includes the proposal form and all written materials provided in support.

Where insurance is provided by more than one insurer, the insurers' obligations under this Policy in accordance with the terms and conditions contained herein or endorsed hereon, are several and not joint. This means that insurers are limited solely to the extent of their individual subscriptions and are not jointly liable for the proportion of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

This Policy wording, the Market Reform Contract/*Schedule*, Endorsements and any other attachments constitute one document containing the legal agreement between the *Insured* and the *Insurer.*

Words or expressions indicated in *italics* have a specific meaning attached to them, and that meaning applies wherever these words or expressions appear.

Definitions

These Definitions are applicable to the whole Policy unless otherwise stated.

These Definitions are subject to the terms, conditions, limits and exclusions of the Policy.

Wherever the following words appear in italics starting with a capital letter, they will have the same meaning as defined here.

Also, the following applies:
a) words importing the singular shall include the plural and vice versa;
b) references to persons include bodies corporate or unincorporated;
c) words importing any gender shall include all genders;
d) reference to any statute or statutory provision, orders or regulations shall include references to that provision, order or regulation
as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy; and
e) reference to any statutory or other body shall include the successor to that body.

A

Accident / Accidental
means a single, sudden, external and unexpected event by violent and visible means, which occurs at an identifiable time and place

Accidental Damage
means physical loss or physical destruction of or damage to tangible *Property Insured* as a result of a single, sudden, external and unexpected event by violent and visible means, which occurs at an identifiable time and place during the *Period of Insuranc*e.

Actual Value
means the amount it would cost to repair or replace *Property Insured*, on the date of *Damage*, with material of similar kind, condition and quality, with deduction for outdatedness and physical depreciation.

Act of Sabotage
means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

Act of Terrorism
means acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's government in the *United Kingdom* or any other government in place.

In respect of the rest of the Policy, an *Act of Terrorism* shall mean an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Additional Insured
Means the personal representatives of the *Insured* in respect of *Legal Liability* incurred by the *Insured* for which the *Insured* would have been entitled to indemnity under this Policy if the claim for which indemnity is sought had been made against the *Insured*.

Annual Rent Receivable
means rent receivable by the *Insured* during the 12 (twelve) months immediately before the date of the *Damage*.

Appointed Representative
means a solicitor, barrister or other appropriately qualified person appointed to act in the name of and on behalf of the *Insured* in accordance with the terms, conditions, limitations, provisos and exclusions of this Policy.

Authorised Resident
means the *Insured*, tenant(s) and any member of their family permanently residing with them at the premises, or any other person authorised by the *Insured*.

B

Building(s)
means:
1 the permanent fixed structures and permanent foundations below ground level, situated at the *Insured Premises,* constructed entirely of brick, stone or concrete and roofed entireoly with slates, tiles, concrete, metal or asbestos unless otherwise agreed by the *Insurer*; and
2 including garages, annexes and extensions to the permanent fixed structures;
3 landlord's fixtures and fittings in or on such permanent fixed structures; which are the property of or have been leased to the *Insured* or for which the *Insured* is legally responsible.

Unless more specifically insured, the following property of the *Insured* or for which the *Insured* is legally responsible shall also be included in the definition of Building(s):
A. annexes and outbuildings*;*
B. tenants' improvements which the *Insured* is legally responsible for;
C. conveyors, trunks, lines, wires, service pipes and similar property on the *Insured Premises* extending to the public mains;
D. walls, gates and fences;
E. landscaping, swimming pools, ponds, lakes, reservoirs, and other similar water features;
F. car parks, yards, roadways, walking surfaces and similar surfaces at the *Insured Premises;*
G. security lighting, security cameras and other security or fire protection devices, affixed receiving and communication aerials, their fittings and masts fixed to the buildings;
H. Solar panels, wind turbines and other similar equipment used by the *Insured* for the generation of electricity.
Building(s), in no event, shall include Buildings in the course of construction or alteration.

C

Condition(s) Precedent
means that these clauses must be satisfied before the *Insurer* becomes liable to make any payment to the *Insured* under this Policy. In the event of the *Insured's* breach of any *Condition Precedent*, in respect of any claim arising or contributed to by such breach, the *Insurer* is entitled to decline liability and shall not be required to make any payment to the *Insured* for such claim.

D

Damage / Damaged
means physical loss or physical destruction of or damage to tangible *Property Insured* by an *Insured Peril.*

Debris Removal
means costs and expenses necessarily and reasonably incurred by the *Insured* with the prior consent of the *Insurer* to:
1 remove debris from;
2 dismantle and/or demolish;
3 shore-up or prop up,
the portion or portions of the *Property Insured* following *Damage*.

The *Insurer* will not pay for any costs or expenses:
A. incurred in removing debris except from the site of the *Property Insured* and the area immediately adjacent to such site;
B. arising from pollution or contamination of property not insured by this Policy.

Declared Value
means the *Insured's* assessment of the cost of reinstatement of the *Property Insured* arrived at in accordance with reinstatement valuations provided under the **Basis of Settlement** clause under **Conditions to Section 1** at the level of cost applying at the inception of the *Period of Insurance* (ignoring inflationary factors which may operate subsequently) together with allowance for, where applicable:
A. the additional cost of reinstatement to comply with public authority requirements;
B. *Professional Fees*;
C. *Debris Removal.*

Denial of Service Attack
means any actions or instructions constructed or generated with the ability to *Damage*, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. *Denial of Service Attack* includes, but is 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.

E

Excess
With respect to **Sections 1** and **2,** *Excess* means the amounts as specified either in this Policy wording or in the *Schedule*, as applicable, that are to be deducted from any claim and which amount shall be borne by the *Insured*.
Under **Section 1 - Property Damage,** this shall apply to each *Loss* or *Damage* at each *Insured Premises* separately after the application of the Average Condition.
Under **Section 5 - Property Owners' Liability** , means the amounts as specified in the *Schedule*, which the *Insured* shall pay in respect of all *Damages*, compensation, claimant's costs, *Legal Costs* and expenses before the *Insurer* shall be liable to make any payment. The *Excess* shall apply to each *Event* other than *Legal Liability* arising out of *Injury* unless otherwise specified in the *Schedule*;

G

Glass
means:
1 Fixed glass and mirrors in or at the *Insured Premises*;
2 Frames or framework which require to be removed to replace the glass;
3 Window alarm foil, ornamental glass, lettering and silvering;
4 Fixed external signs including neon signs, being the property of the *Insured* or for which the *Insured* is responsible.

I

Incident
means any event directly causing *Legal Liability* insured under **Section 4 - Property Owners' Liability** and. *Incident* shall include the continuous or repeated harmful exposure to substantially the same general conditions. All *Incidents* or series of *Incidents* consequent upon or attributable to one source or original cause shall be regarded as a single *Incident* for the purposes of this Policy.

Indemnity Period
means the period beginning with the *Damage* and ending not later than the end of the *Maximum Indemnity Period* thereafter during which there is a *Loss of Rent Receivable* in consequence of the *Damage*.

Injury
means bodily injury, death, disease, illness, nervous shock, mental injury or mental anguish.

Insured/ You/ Your/ Yours
means the *Insured* as specified in the *Schedule*.

Insured Peril
means the following:
Fire*;* Lightning; Aircraft or other aerial devices or articles dropped or falling therefrom; Explosion; Earthquake; *Accidental Damage;* Storm; Flood; Escape of water from any tank, apparatus or pipe or escape of oil from a

fixed oil-fired heating installation; Riot / Civil Commotion; Malicious Damage; Impact by any vehicle or animal; Theft; Subsidence, ground heave and landslip.

Insured Person
means any partner, director or employee of the *Insured* whose usual place of employment is at the *Insured Premises* or as otherwise specified in the *Schedule*.

Insured Premises
means the location(s) as specified in the *Schedule* or in any Endorsement(s).

Insurer/ We/ Us/ Our
means Lloyd's Syndicate 457, managed by Munich Re Syndicate Limited

L

Landlord's Contents
means furniture, fixtures, fittings, decorations and other similar contents within the *Buildings* which are
1. owned by the *Insured* or for which the *Insured* is legally responsible; and
2. contained within the *Insured Premises*,
Provided that *Landlord's Contents* shall not include mobile phones, laptops or similar portable electronic equipment, documents, tenants' property, money or any articles of gold, silver or other precious materials, jewellery or other personal items.

Legal Costs
means:
1. costs of legal representation at:
A. any coroner's inquest or fatal accident inquiry in respect of any death;
B. proceedings in any court arising out of any alleged breach of statutory duty resulting in an *Incident;*
which may be the subject of indemnity under **Section 5- Property Owners' Liability** of this Policy;

2. all other legal costs and expenses in relation to any *Incident* which may form the subject of a claim for indemnity under **Section 5 - Property Owners' Liability** and of this Policy;
incurred with the written consent of the *Insurer.*

Legal Liability
means damages, awards, or settlements entered into with the *Insurer's* prior written consent, and claimants' costs, charges and expenses, excluding:
A. punitive or exemplary damages;
B. criminal or civil fines or penalties;
C. taxes;
D. matters deemed uninsurable under the laws of England and Wales or for *Insureds* domiciled in Scotland, the laws of Scotland.

Limit of Liability
means Limit of Liability specified in the *Schedule*.

Loss of Rent Receivable
means the loss of money paid or payable to the *Insured* for *Rental Property* provided in its capacity as a property owner.

M

Maximum Indemnity Period
means the number of months as specified in the *Schedule* which is the maximum period for which indemnity will be paid in accordance with the terms and provisions of **Section 2 - Loss of Rent Receivable.**

Money
means *Negotiable Money* and *Non-negotiable Money*.

N

Negotiable Money
means cash, bank or currency notes, uncrossed cheques, uncrossed giro cheques, travellers cheques, uncrossed postal orders, uncrossed banker's drafts, uncrossed money orders, uncrossed postal orders, bills of exchange, current postage stamps, uncrossed giro drafts, National Insurance stamps not affixed to cards, National Savings stamps, holiday with pay stamps, luncheon vouchers, gift tokens and consumer redemption vouchers.

Non-negotiable Money
means securities, share certificates, crossed cheques, crossed postal orders, crossed banker's drafts, crossed money orders, crossed postal orders, crossed giro cheques, National Insurance stamps, fixed unused units in franking machines, National Savings certificates, Premium Bonds, credit and debit cards, sales vouchers or receipts and VAT purchase invoices.

Nuisance
means nuisance, trespass or interference with any easement, right of air, right of light, right of water or right of way.

O

Occurrence
means any loss, losses, or series of losses consequent upon or attributable to one source or original cause.

Overall Limit of Liability
means the total maximum amount payable by the *Insurer* in respect of all Sections of this Policy, as specified in the *Schedule*.

P

Period of Insurance
means the period as specified in the *Schedule*.

Pollution or Contamination
means actual discharge, seepage, migration, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste materials at any time on to buildings and structures, atmosphere, surface water or groundwater, as a direct result of the *Insured's* provision of *Rental Property*. Pollution or Contamination shall include all *Damage* or *Injury* directly or indirectly caused by such by such Pollution or Contamination.

Premium
means the amount specified in the *Schedule*.

Professional Fees
means architects', surveyors', consulting engineers' and legal fees necessarily and reasonably incurred with the *Insurer's* consent in the reinstatement of the *Property Insured* directly consequent upon its *Damage* by an *Insured Peril* but not for the preparation of any claim.

Property Insured
means the subject matter insured as specified under the 'Property Insured' heading in the *Schedule*, but not the intellectual property pertaining thereto.

R

Rental Operations
Means the business activities carried out by the *Insured* in its capacity as a provider of *Rental Property*.

Rental Property
means the *Insured Premises* which are rented out by the *Insured* as part of its *Rental Operations*.

Rent Receivable
means money paid or payable to the *Insured* in respect of any *Rental Property.*

S

Sanitary Fittings
means fixed items of sanitary ware, the property of the *Insured*, or for which the *Insured* is responsible, situated within the *Insured Premises*.

Schedule
means the document titled 'Schedule' attaching to and forming part of this Policy or, alternatively, the document titled 'Risk Details'.

Sub-Limit
means the Sub-Limit as specified in the *Schedule* which limit shall be part of and not in addition to the *Sum Insured*.

Subsidiary
means any entity of which the *Insured* either owns more than 50% of the voting rights or owns more than 50% of total issued share capital.

Sum Insured
means the *Sum Insured* as stated in the *Schedule* applicable to the particular item or the limit per location in accordance with the information provided by *You*.

T

Territorial Limits
means *United Kingdom.*

U

United Kingdom
means England, Scotland, Wales and Northern Ireland, the Channel Islands and the Isle of Man.

Unoccupied
1. For the purpose of residential *Insured Premises*, means where the whole or part of the property is not lived in by the tenant, or a person authorised by the *Insured* for any period of more than 60 (sixty) consecutive days.
2. For the purposes of non-residential *Insured Premises*, means closed for business or not occupied for its usual business purposes, for any period of more than 60 (sixty) consecutive days.

V

Virus or Similar Mechanism
means any programme code, programming instruction or any set of instructions intentionally constructed with the ability to *Damage*, interfere with or otherwise adversely affect any computer programme(s), data files or operations, whether involving self-replication or not. *Virus or Similar Mechanism* includes but is not limited to Trojan horses, worms and logic bombs.

W

War
means war, invasion, acts of foreign enemies, hostile or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power or confiscation by order of any public authority or government de jure or de facto or martial law.

Section 1
Property Damage

Insuring Clause

The *Insurer* will indemnify the *Insured* against *Damage* to the *Property Insured* detailed below, provided that such *Damage:*
1. occurs during the *Period of Insurance*; and
2. is caused by an *Insured Peril*; and
3. occurs to property of the *Insured* or for which the *Insured* is legally responsible whilst at the *Insured Premises;* subject always to the *Excess(es)* and the limits, terms, conditions and exclusions of this Section and the Policy.

Property Insured
1. *Building(s)*;
2. *Landlord's Contents*;
3. Tenant's Improvements, being improvements, alterations and interior decorations made to the *Insured Premises* by the tenant with the *Insured's* written consent;
4. Any other property specified in Section 1 - Property Damage in the *Schedule*.

Limit of Liability
The liability of the *Insurer* under this Section including the Extensions to the Section shall not exceed the *Sum Insured* or, in respect of any individual Extensions, the *Sub-Limit*, subject to any other limit of liability as specified herein or in the *Schedule*.

Extensions to Section 1
Unless otherwise specified in the *Schedule* the following Extensions shall apply, subject always to the limits, conditions and exclusions of this Section and the Policy.

1. Additional Costs of Management Fees
This Section extends to include cover for the costs of managing agent's fees necessarily and reasonably incurred by the *Insured* with the consent of the *Insurer* in respect of the management and supervision of rebuilding or repair of the *Insured Premises* as a result of *Damage*. Provided that:
A. the costs relate solely to any additional work which would not have been necessary had the *Damage* not occurred;
B. the liability of the *Insurer* will not exceed £10,000 any one *Occurrence* and in total for all losses occurring during any one *Period of Insurance*;
C. this Extension will not apply in respect of any additional cost for a rebuilding contract with a value of less than £250,000.

2. Alternative Residential Accommodation
In respect of *Insured Premises* occupied totally or partially for residential purposes, in the event of *Damage* to such *Insured Premises* that renders it unfit to live in or to which all access is prevented, the *Insurer* will indemnify the *Insured* up to the 30% of the Buildings Declared Value as stated in the *Schedule* in respect of any expenditure necessarily and reasonably incurred in the provision of comparable accommodation for the benefit of any lessee to comply with the requirements of the lease until the *Insured Premises* is fit again for habitation.
This Clause shall also include the costs of:
A temporary storage of residents' furniture; and
B kennelling or boarding domestic pets if they are not allowed in the alternative accommodation.

3. Architects', surveyors' and other fees
In the event of *Damage* insured under this Section, the *Insurer* agrees to indemnify the *Insured* for the fees of architects, surveyors consulting engineers and other *Professional fees* incurred for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the process of reinstatement of the *Building*s, provided that:
A. the *Insured* shall obtain the *Insurer* written consent prior to the incurrence of any such fees and costs;
B. the *Insurer* will not be liable for fees incurred in preparing any claim made under this policy;

C. the *Insurer* shall not be liable for more than those authorised under the scales of the professional institutions and/or bodies regulating such charges prevailing at the time of the *Damage*; and
D. the *Insurer's* maximum liability under this Extension shall not exceed £5,000 any one *Occurrence* and £10,000 in total for all losses occurring during any one *Period of Insurance*.

4. Automatic Cover from Date of Exchange

If at the time of the *Damage the Insured* has contracted to purchase any building and the purchase has not been, but is thereafter, completed, the location of such building will be deemed to be an *Insured Premises* under this Section until completion, but only in circumstances where either:
A. the *Insured's* interest in any such building is not covered by any other insurance; or
B. the *Insured's* interest is covered by any other insurance.

> **i)** Provided that: under A. above the sum insured will not exceed the reinstatement value of the property until such time as it is added in accordance with iii) below; or
> **ii)** cover under B. above will be the difference between any other insurance and this Policy where that other insurance on such building is more restrictive in cover or sum insured; and
> **iii)** the *Insured* undertakes, as soon as reasonably practicable and in any event within 90 (ninety) days, to give particulars of such acquisition to the *Insurer* and to effect specific insurance under this section retrospectively from the date of exchange of contracts.

5. Automatic Reinstatement of Sums Insured

It is hereby mutually agreed that, in the event of payment of a claim under this Section, the *Sum Insured* with respect to the claimed *Property Insured* shall be reinstated to the full amount from the date of the claim until expiry of this Policy in consideration of the additional premium paid or payable by the *Insured*.

6. Clearing of Drains

If, in consequence of *Damage* caused by an *Insured Peril*, drains gutters and sewers, for which the *Insured* is responsible, need to be cleared cleaned or repaired, the *Insurer* agrees to pay the cost reasonably and necessarily incurred for such clearing, cleaning or repair provided that the *Insurer's* liability under this clause shall not exceed £5,000 any one *Occurrence* and £10,000 in total for all losses occurring during any one *Period of Insurance*.

7. Contracting Purchaser's Interest

In the event of *Damage* following the *Insured* having contracted to sell its interest in any *Building* but the purchase has not yet completed, the contracting purchaser who completes the purchase will have the benefit of the insurance by this Section up to the date of completion if, and insofar as, the *Building* is not otherwise insured and without prejudice to the rights and liabilities of the *Insured* or *Insurer*.

8. Contractors' Interests

With respect to work carried out at the *Insured Premises*, where required under the Joint Contracts Tribunal (JCT) or any similar contract conditions, the *Insurer* agrees to note the interest of any contractor

9. Damage by Emergency Services

It is agreed that the insurance by this Section extends to include the costs necessarily and reasonably incurred by the *Insured* in making good the landscaped grounds of the *Insured Premises Damaged* by the fire brigade or any other emergency service inconsequence of *Damage* to *Property Insured*.

10. Debris Removal

The *Insurer* agrees to insure the reasonable and necessary costs incurred in *Debris Removal* from an *Insured Premises* that remains as a direct result of *Damage* caused by an *Insured Peril* insured by this Policy provided that this Extension shall not cover for costs of decontamination or the removal of:
A. contaminated uninsured property; or
B. the contaminant in or on uninsured property, irrespective of whether or not such contamination, including but not limited to the presence of pollution or any other substance that has been declared to be hazardous to health by a governmental agency, results from an insured physical loss or *Damage*.

11. Emergency Security Costs following Damage

This Section is extended to cover the reasonable and necessary costs incurred by the *Insured* in respect of:
A. temporary boarding up or making good, necessary to keep the *Insured Premises* secure; and
B. providing security guards until the premises are made secure following and as a direct result of *Damage*.

Provided that the liability of the *Insurer* will not exceed;

i) £2,500 any one *Occurrence* in respect of the provision of security guards; and
ii) £10,000 any one *Occurrence* and in total for all losses occurring during any one *Period of Insurance*.

12. Eviction of Squatters
This Section is extended to cover legal expenses reasonably incurred by the Insured solely in pursuit of proceedings to evict squatters from any *Insured Premises* or parts thereof. Provided that:
A. such expenses are incurred with the prior written consent of the *Insurer* and in a manner advised by the *Insurer*;
B. the *Insured* has complied with all other requirements, duties and obligations set out herein which relate to the maintenance, security and inspection of the *Insured Premises*; and
C. the maximum amount payable under this Extension will in no case exceed £5,000 any one *Occurrence* and £10,000 in total for all losses occurring during any one *Period of Insurance*.

13. Expediting Costs and Temporary Repairs
This Section is extended to cover the necessary and reasonable costs incurred by the *Insured* and with the consent of the *Insurer* in respect of:
A. making temporary repairs to; and
B. expediting the repair, reinstatement or replacement of,
Property Insured subsequent to *Damage*.

14. Fire Brigade Charges and Extinguishing Expenses
This Section is extended to cover the following:
A. fire brigade charges;
B. charges made by any organisation responsible for preserving public safety;
C. the costs of refilling any fire extinguishing appliances or the cylinders of any gas flooding systems whether the discharge was accidental or not;
D. the costs of replacing used sprinkler heads and refilling sprinkler tanks; and
E. the costs of resetting fire and intruder alarms but only where necessarily and reasonably incurred by the *Insured* solely in consequence of *Damage.*

15. Fixed Glass
Following *Damage* to fixed glass, the *Insurer* will also pay the cost of:
A. replacement of lettering, painting, embossing, silvering or other ornamental work on *Glass*;
B. repair or replacement of window frames, framework or security fittings;
C. temporary boarding up of broken glass pending full replacement, breakage meaning the *Accidental* fracture of the *Glass* extending through the entire thickness of thereof; and
D. replacement of parts of the fixed glass that do not suffer *Damage* solely to preserve the cosmetic integrity of the *Building*.

Provided that the *Insurer* shall not be liable for:
i) any Excess specified in the Schedule in respect of each and every *Occurrence*; or
ii) any amount in excess of any Sub-Limit shown in the Schedule.

16. Fly Tipping
This insurance shall pay the cost of removing property illegally deposited on any part of the *Insured's Premises* and the clean up or restoration costs directly associated with it provided that
A) the *Insurer's* liability shall not exceed £5,000 for any one occurrence and £25,000 in total for all losses occurring during any one P*eriod of Insurance*.
B) The insured will be liable for the first £1,000 of each and every loss

17. Glass and Sanitary Fittings
The *Insurer* shall, at the *Insurer's* option, repair, replace, reinstate or pay the costs of repair or replacement of *Glass* or *Sanitary Fittings* in the event of its breakage as a direct result of an *Insured Peril* and the consequent cost of necessary boarding-up and the provision of a temporary door. For the purposes of this Extension, breakage shall mean the *Accidental* fracture of the *Glass* extending through the entire thickness of thereof.

Provided that the *Insurer* shall not be liable for:
i) any breakage of *Glass* or *Sanitary Fittings* in respect of any *Unoccupied Building*; or
ii) the first £250 of each and every *Occurrence*; or
iii) any amount in excess of £10,000 any one *Occurrence* and £50,000 in total for all losses occurring during any one *Period of Insurance*.

18. Interim Protection and Repairs

A. Emergency security costs following damage.

The insurance provided by this Section is extended to include the reasonable and necessary costs incurred by the *Insured* of:

- **i)** temporary boarding up or making good, necessary to keep the *Insured Premises* secure, and
- **ii)** providing security guards until the *Insured Premises* are made secure, following and as a direct result of *Damage*. Provided always that the liability of the *Insurer* will not exceed:
- **a)** £2,500 any one *Occurrence* in respect of the provision of security guards; and
- **b)** £25,000 any one *Occurrence* and in total for all losses occurring during any one *Period of Insurance*.

19. Involuntary Betterment

In the event of *Damage*, when new property of the like and kind and quality of the damaged *Property Insured* is not obtainable, then property which is as similar as possible to that which has sustained *Damage* and which is capable of performing the same function will be deemed to be new property of the like, kind and quality and in no event will this be considered as betterment to the *Insured*. In the event of any replacement with new property, the *Insurer* will pay the cost of purchasing and installing technologically current equipment which is needed due to incompatibility between:

A. new equipment installed to replace equipment which has sustained *Damage*; and

B. undamaged existing equipment at the same or an interdependent location Provided that the *Insurer* will only be liable for;

- **i)** *Damage* directly caused by an *Insured Peril* insured by this *Policy*;
- **ii)** the amount sufficient to enable the *Insured* to resume operations in substantially the same manner as before the *Damage*;
- **iii)** the difference between the highest sales value of the undamaged existing equipment at the same or independent location and the installed cost of the technologically current equipment; and
- **iv)** a maximum amount of £10,000 any one *Occurrence* and in total for all losses occurring in any one *Period of Insurance*

20. Landlord's Contents within Common Parts

The *Buildings* definition is extended to include *Landlord's Contents* held within common parts of the *Property Insured* up to a maximum sum insured of £10,000 per occurrence and £25,000 in the aggregate, any one *Period of Insurance.*

21. Landscaping

The insurance provided by this section is extended to include the necessary and reasonable cost of replanting trees, shrubs, plants and turf used as landscaping at the *Property Insured* in consequence of fire and explosion, being the cost incurred in restoring any such item of landscaping to its appearance when first planted but excluding any cost arising from the failure of these items to germinate or become established

22. Loss of Metered Water, Gas, and Electricity Charges, and Accidental loss of heating oil

This Section extends to include cover for additional metered utility charges and additional heating oil charges incurred by the *Insured*, following *Damage* insured hereby, at the *Insured Premises* during the *Period of Insurance*. The *Insurer* shall not be liable for any such charges incurred by the *Insured* in respect of any *Unoccupied Building(s).*

The basis upon which the amount payable is to be calculated shall be the amount of the utility or heating oil charges for the period during which *Damage* occurs, less the charge made to the *Insured* for the corresponding period in the preceding year, adjusted for changes in suppliers' charges and for variations affecting the utility and/or heating oil consumption of the *Insured* during the intervening period. The *Insurer's* liability under this Extension is limited to £10,000 any one *Occurrence* and £50,000 in total for all losses occurring during any one *Period of Insurance*.

23. Mortgagees Freeholders and Lessors

It is agreed that mortgagees, freeholders and lessors shall not be prejudiced by any increase in the risk of *Damage* resulting from any act of negligence of any mortgagor, leaseholder, lessee or occupier of any *Building(s)* insured by this Section, provided such increase in risk is without their prior knowledge or authority and that the *Insurer* are notified immediately they become aware of such increase in risk.

24. Other Interests
In the event of the *Insured* having property under the terms of any hire purchase or similar form of agreement, then the interest of such parties and the nature and extent of such interest shall be noted in this insurance, subject to prior notification to the *Insurer*.

25. Party Walls
The *Insurer* will pay costs incurred by the *Insured* in reinstating a party wall following *Damage* of the type insured herein whether the responsibility to reinstate is with the *Insured* or not, provided that the liability of the *Insurer* does not exceed £5,000 any one *Occurrence*.

26. Personal Possessions
This Section extends to include cover of up to £500 in respect of any one person following *Damage* to directors', partners', customers', visitors' and employees' personal effects of every description other than:
A. motor vehicles; or
B. property that is otherwise insured under a more specific insurance policy.

27. Public Authorities
The *Insurer* agrees to pay the additional cost of reinstatement of the *Damaged Property Insured* incurred by the *Insured* solely to comply with mandatory building or other Regulations arising out of any Act of Parliament or with Bye Laws of any municipal or local authority or other Codes of Practice in respect of the *Damaged Property Insured* and undamaged portions thereof, provided always that the amount recoverable under this Extension shall not include:

i) the cost incurred in complying with such Regulations, Bye Laws and Directives:
- **a)** in respect of *Damage* occurring prior to inception of this Policy;
- **b)** in respect of *Damage* not insured under this Policy;
- **c)** under which notice has been served upon the *Insured* prior to the happening of the *Damage*;
- **d)** for which there is an existing requirement which must be implemented within a given period;
- **e)** which are not in force at the time of the *Damage*.

ii) the additional cost that would have been required to make good the property *Damaged* to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations, Bye Laws and Directives not arisen; or

iii) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid such Regulations, Bye Laws and Directives.

Provided that:
1 the work of reinstatement must be commenced and carried out within a reasonable time and in any case must be completed within 12 (twelve) months after the *Damage*, or within such further time as the *Insurer* may (during the said 12 (twelve) months) in writing allow and may be carried out wholly or partially upon another site (if necessary) subject to the liability of the *Insurer* under this Extension not being thereby increased;
2 if the liability of the *Insurer* under any item of *Property Insured* in the *Schedule,* apart from this Extension, is reduced by the application of any of the terms and conditions of this Policy then, the liability of the *Insurer* under this Extension in respect of any such item of *Property Insured* shall be reduced in like proportion;
3 the total amount recoverable under any item of the *Property Insured* shall not exceed:
A. in respect of the *Damaged Property Insured* – its *Sum Insured*;
B. in respect of undamaged portions of *Property Insured* (other than foundations) – 15% (fifteen percent) of the total amount for which the *Insurer* would have been liable for with respect to that item of *Property Insured,* had the *Insured Premises*
where the *Damage* occurred, been wholly destroyed; or
C. the indemnity provided by this clause shall be part of and not in addition to the *Sum Insured* specified in the *Schedule*;
4 all the terms, limits, exclusions and conditions of this Section and the Policy, except to the extent that they have been expressly varied, shall apply as if they had been incorporated herein.

28. Removal of Wasp Nests and/or Vermin
This insurance is extended to pay for the cost of removal wasp nests, vermin infestation and similar pest control measures from the *Insured Premises* provided the *Insurer's* liability under this extension is limited to £2,500 any one *Occurrence* and £10,000 in total for all losses occurring during any one *Period of Insurance*.

29. Rent Payable
In the event of *Damage* in respect of which there is an item on rent payable specified in the *Schedule* for *Insured Premises*, the *Insurer* will indemnify the *Insured* in respect of the amount of rent which continues to be payable by the *Insured* for such *Insured Premises* or part of the *Insured Premises* whilst unfit for occupation in consequence of the *Damage* for a period not exceeding the number of months stated in the item description in the *Schedule*.

30. Replacement of Locks
This Section extends to include costs incurred by the *Insured* as a result of the necessary replacement of locks or changing of alarm codes, if any of the keys to or access codes of the *Insured Premises* are accidentally lost or stolen from the *Insured Premises* or from the homes of principals, partners, directors or authorised *Persons Employed* provided that:

A. the keys or the access codes are capable of being easily identified as keys/access codes to the *Insured Premises*; and

B. if such keys relate to a safe or strong-room, they shall not be left on the *Insured Premises* outside the *Insured*'s normal business hours. The liability of the *Insurer* under this Extension shall not exceed £1,000 any one *Occurrence* and £25,000 in total for all losses occurring during any one *Period of Insurance*.

31. Services
This Section extends to include *Damage* to telephone, gas, water and electricity meters, piping cabling and the like and their accessories at the *Insured Premises* including similar property in adjoining yards or roadways or underground, the property of the *Insured* or for which they are responsible and liable.

32. Temporary Removal
This Section extends to cover *Landlord's Contents* whilst temporarily removed elsewhere on the same or to any other premises within the *Territorial Limits* (including the private homes of directors, partners and authorised *Persons Employed*) for storage, cleaning, renovation, repair or similar reasons and in transit thereto and therefrom by road, rail or inland waterway provided always that:

A. the *Insurer's* liability shall not exceed the £5,000 any one *Occurrence* and £10,000 in total for all losses occurring during any one *Period of Insurance*; and

B. the *Insurer* shall not be liable for losses insured under any other policy or recoverable under other parts of this Policy.

33. Theft of fabric of Building
The *Insurer* will indemnify the *Insured* for *Damage* to the *Building* during the *Period of Insurance,* arising from: theft of any part of the fabric of the *Buildings* whether or not there has been forcible and violent entry.
If such *Damage* is insured elsewhere, no liability shall be admitted by the *Insurer* under this Extension.

34 Trace and Access
In the event of *Damage* during the *Period of Insurance* arising from escape of water or fuel oil from any tank, apparatus or pipe, the *Insurer* agree to indemnify the *Insured* in respect of:

A. costs necessarily and reasonably incurred by the *Insured* in locating the source of such *Damage*;

B. in making good *Damage* caused as a consequence of locating such source; and

C. the replacement of any fuel oil lost as a consequence of locating such source; Provided that the *Insurer's* liability under this Extension is limited to £50,000 any one *Occurrence*.

35. Tree Removal
This Section is extended to include the cost of lopping, felling or clearance of fallen trees or branches which affect the *Insured's Premises* or the safety of or access to the *Insured Premises* provided the *Insurer's* liability under this Extension is limited to the £5,000 any one *Occurrence*.

36. Unauthorised Use of Electricity, Gas or Water
This Section is extended to include the cost of metered electricity, gas or water for which the *Insured* is legally responsible arising
from its unauthorised use by persons taking possession of or occupying the *Insured Premises* without the *Insured's* authority.
Provided that:

A. the *Insurer's* maximum liability under this Extension shall not exceed £10,000 any one *Occurrence* and £25,000 in total for all losses occurring during any one *Period of Insurance*; and

B. the *Insured* shall take all practical steps to terminate such unauthorised use as soon as it is discovered.

37. Illegal Cultivation of Drugs

This Section is extended to include any *Damage* or CONSEQUENTIAL LOSS as insured hereby resulting from the Illegal
cultivation of by a tenant, lessee or licensee of the Insured it is a condition precedent to any liability of the Insurers
to make payment under this Policy that the Insured have:
a) carried out comprehensive internal and external surveys of the premises at least every 6 months prior to the *Damage* and maintained a written log of such inspections
b) obtained written references for the tenant prior to the letting proceeding
c) recorded details of the tenant's bank account details and verified same by collecting at least one payment via such means.

38. Contract works

The insurance by each Buildings item extends to include Contract Works to the extent to which You have contracted to arrange cover provided the Insurer's maximum liability for any one loss shall not exceed £100,000. This clause shall only apply in so far as the Contract Works are not otherwise insured and excludes the amount of Excess being £250.

Conditions to Sections 1

1. Average

A. The *Sums Insured* declared in respect of *Building(s)* and *Landlord's Contents* specified in the *Schedule,* are separately subject to the following condition of Average: If at the time of reinstatement the sum representing 8 Lloyd's Syndicate 457, managed by Munich
Re Syndicate Limited 85% (eighty five percent) of the cost which would have been incurred by the *Insured* in reinstatement if the whole of that item of *Property Insured* had been destroyed, exceeds the *Sum Insured* with respect to that item, at the commencement of the *Damage*, then the *Insured* shall be considered as being their own Insurer for the difference between the *Sum Insured* and the sum representing the cost of reinstatement of the whole of that item of the *Property Insured* and shall bear a rateable proportion of the loss accordingly.

B. With respect to each item of the *Property Insured* for which Day One Basis (Non-Adjustable) is applicable and
the premium is calculated on the basis of the *Declared Values* provided by the *Insured* at the inception of the *Period of Insurance*, the following condition of Average shall apply:

If at the time of *Damage* the *Declared Value* of the item of *Property Insured* covered is less than the cost of reinstatement (as defined under the 'Basis of Settlement' clause) at the inception of the *Period of Insurance* then the *Insurer's* liability for any *Damage* hereby insured shall be limited to that proportion thereof which the *Declared Value* bears to the cost of reinstatement.

C. Where the item of *Property Insured* has the *Actual Value* applied, then the following condition of Average shall apply: If, at the time of *Damage*, the *Actual Value* of the item of *Property Insured* exceeds the *Sum Insured,* then the *Insured* shall be considered as being their own insurer for the difference between the *Sum Insured* and the sum representing the cost of reinstatement of the whole of the *Property Insured* and shall bear a rateable proportion of the loss accordingly.

2. Basis of Settlement

In the event of *Damage* insured under this Section, the basis of reinstatement of the *Property Insured* shall be as follows:
A. where the *Property Insured* is destroyed
i) in case of a *Building*(s), the cost of rebuilding of the *Building; or*
ii) in the case of other property, cost of replacement with property of similar kind and quality; and
B. where the *Property Insured* is *Damaged*, the cost of repair or restoration of the *Damaged* property or part thereof. The repair, rebuilding or replacement should be to a condition and quality equal to but not better or more extensive than its condition when new.

3. Basis of Settlement Conditions

A. Where the *Insurer* agrees or is required to reinstate or replace any *Property Insured*, the *Insured* will, at its own expense, produce and give to the *Insurer* all such plans, documents, books and information as the *Insurer* may require for the reinstatement or replacement.
B. If the *Insured* requests, and the *Insurer* agrees in writing not to repair or reinstate any *Property Insured*, then the *Insurer's* liability shall be limited to the lesser of:

- **i)** the *Actual Value* of the *Damaged Property Insured;* or
- **ii)** the difference between the market value of the *Damaged Property Insured* immediately prior to the *Damage* and the market value of the *Damaged Property Insured* immediately after the *Damage.* It is agreed that the option to not to repair or reinstate is at the sole discretion of the *Insurer*.

C. Reinstatement may be carried out on another site and in any manner suitable to the requirements of the *Insured* provided that

- **i)** the condition and quality of the reinstated property is equal to and not better or more extensive than its condition when new; and
- **ii)** the liability of the *Insurer* is not being increased.

D. The reinstatement must be commenced and carried out with reasonable despatch failing which no payment beyond the amount which would have been payable under this Policy if this clause had not been incorporated herein shall be made.
E. When any *Property Insured* is partly *Damaged* or destroyed, the *Insurer's* liability shall not exceed the sum the *Insurer* would be required to pay for reinstatement if such property had been wholly destroyed.
F. No payment beyond the amount which would have been payable by the *Insurer* under this Policy if this clause had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred by the *Insured*.
G. Where any computer or data processing equipment is replaced any improvement in performance or capacity consequent upon the replacement of such equipment with modern items shall not be regarded as 'betterment' for the purposes of this clause.

4. Contractor's Interest

Where the *Insured* is required to effect insurance on the *Property Insured* in the joint names of the *Insured* and the contractor under the terms of a contract condition, then the interest of the contractor in the *Property Insured* as a joint insured is noted. However:
A. The *Insured* must provide the *Insurer* with details of any single contract valued in excess of £250,000 prior to work starting and pay any additional premium that may be required by the *Insurer*;
B. In the event of a claim being paid by the *Insurer* all payments will be made to the first named *Insured* stated in the *Schedule*. The noting of a contractor's interest does not convey any rights to that contractor to be considered the payee in the event of loss;
C. Where there is more than one party to this contract of insurance each party is noted for their respective rights and interests;
D. This Policy will not be vitiated or avoided so far as the joint insured is concerned, as a result of any innocent misrepresentation, act or neglect of failure to disclose on the part of any insured party or any circumstance beyond an insured party's control provided that such misrepresentation or disclosure is reported to the *Insurer* as soon as reasonably practicable upon discovery;
E. The total liability of the *Insurer* to all of the insured parties collectively will not exceed the sums insured and limits of liability including any inner limits set by memorandum or endorsement stated in this Policy.

5. Day One Basis (Non-Adjustable) Extension

If stated as 'Applicable' under Section 1 of the *Schedule,* Day One Basis (Non-Adjustable) shall apply to *Building(s)* and *Landlord's Contents*.

In the event of any claim payable under this clause, all the other terms and conditions of the policy shall apply, except that the *Sum Insured* shall be limited to 115% (one hundred and fifteen percent) of the *Declared Values* subject always to the provisions of this
clause.
A. The *Insured* having stated in writing the *Declared Value* of the *Building(s)* and *Landlord's Contents*, the *Insurer* agrees to calculate the premium on the stated *Declared Value* provided by the *Insured*.
B. At the inception of the *Period of Insurance* and at every renewal thereafter, the *Insured* shall notify the *Insurer* of the *Declared Value* of each item of the *Property Insured.* Where such declaration is not provided by the *Insured,* or is unavailable, the last amount declared by the *Insured* shall be taken as the *Declared Value* for the ensuing *Period of Insurance*. Provided always that nothing in this condition shall apply with respect to the provisions of the 'Acquisitions and Capital Additions clauses under '**Extensions to Section 1 and 2'**.

6. Designation
For the purpose of determining the heading under which any property is insured, the *Insurer* agree to accept the designation under which such property has been entered into the *Insured*'s books of accounts.

7. Fire Break Doors and Shutters
It is a *Condition Precedent* to the *Insurer's* liability under this Policy that all fire break doors and shutters shall be kept closed and shall be maintained in efficient working order.

8. Maintenance of fire extinguishers
It is agreed as a *Condition Precedent* to the *Insurer's* liability under this Section that the *Insured* will:
A. inspect the appliances annually for the purposes of ascertaining that they are maintained in proper working order and keep a written record thereof; and
B. remedy any defect promptly, whether disclosed by any such inspection or otherwise.

9. Non-invalidation
The insurance under this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of *Damage* is increased unknown to or beyond the control of the *Insured*, provided that the *Insured* gives notice to the *Insurer* as soon as reasonably practicable after such act or omission or alteration comes to the notice of the *Insured* and pays any additional premium required by the *Insurer*.

10. Roof Maintenance
It is a *Condition Precedent* to the liability of the *Insurer* under this Section(s) that all areas of flat felted roofs are inspected at least every year by a qualified builder or property surveyor and all defects are rectified at the *Insured's* own expense.

11. Seventy-Two Hours Clause
In the event of *Damage* caused by storm, tempest, flood, earthquake or storm during any one *Period of Insurance*, an *Occurrence* with regard to such *Damage* shall be limited to seventy-two (72) consecutive hours for the purposes of this Section. If the duration of the *Occurrence* extends to beyond seventy-two (72) consecutive hours, then the *Insured* may decide to divide that *Occurrence* into two (2) or more *Occurrences*. The *Insured* may choose when of the periods commence provided that:

A. no period commences prior to the inception date and the date of the *Occurrence*;
B. no two (2) periods overlap; and
C. should any such period extend beyond the expiry or cancellation date, the *Insurer* shall be liable as if such period had fallen entirely within the *Period of Insurance* of this Policy.

12. Statutory requirements and maintenance
The *Insured* shall, at their own expense:
A. cease any activity which may give rise to liability under this Policy;
B. maintain all *Buildings*, furnishings, ways, works machinery, car\vans and vehicles in sound condition;
C. exercise care in selection and supervision of *Persons Employed;*
D. remedy defects or danger as soon as possible after discovery and in the meantime, take such additional precautions as the circumstances may require; and
E. comply with statutory requirement and other safety regulations imposed by any authority.

13. Subrogation Waiver
In the event of a claim arising under this Policy, the *Insurer* agrees to waive any rights, remedies or relief which they might become entitled to by subrogation against:
A. a Company standing in the relation of parent to *Subsidiary* (or subsidiary to parent) of the *Insured*; or
B. a Company which is a subsidiary of a parent Company of which the *Insured* themselves are a subsidiary; in each case within the meaning of the Companies Act(s).
C. any tenant of the *Insured Premises* provided that:
  i) the *Damage* did not result from a criminal, fraudulent, malicious act, gross negligence of or breach of statutory duty by the tenant; and
  ii) the tenant contributes to the cost of insuring the property insured against the event which caused *Damage*;
D. Managing agents employed or engaged to collect rent on behalf of the *Insured.* This Section shall not apply to the policy unless specified as INSURED in the *Schedule*.

Section 2
Loss of Rent Receivable
Insuring Clause
1 In the event of *Damage* to the *Property Insured* caused by an *Insured Peril,* which results in the interruption of or interference with *Rent Receivable*, the *Insurer* will indemnify the *Insured* for the *Loss of Rent Receivable* arising from such interruption or interference occurring during the *Period of Insurance* which is not otherwise excluded, subject always to the limits, terms, conditions and exclusions of this Section and the Policy. Provided that at the time of the happening of the *Damage* giving rise to the *Loss of Rent Receivable*:
A the *Damage* to property is insured under Section 1 - Property Damage of this Policy or under any other Policy covering the *Insured's* interest in property whilst at the *Insured Premises;* and
B payment is made or liability admitted or would have been made or admitted in respect of such physical loss or *Damage* but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

2 The *Insurer's* liability in respect of the *Loss of Rent Receivable* is restricted to:

A the difference between the reduced *Rent Receivable* during the *Indemnity Period* as a direct consequence of the *Damage* and the normal *Rent Receivable* during the corresponding period in the 12 months prior to the *Damage;*
B the additional expenditure necessarily and reasonably incurred by the *Insured* for the sole purpose of avoiding or mitigating the *Loss of Rent Receivable* which but for that expenditure would have taken place during the *Indemnity Period* in consequence of the *Damage*, but not exceeding the amount of the reduction in *Rent Receivable* thereby avoided; or
C the cost of re-letting which shall comprise of the cost necessarily and reasonably incurred from the date of the *Damage* until the expiry of the *Indemnity Period* in re-letting the *Buildings* (including legal fees in connection with the reletting) solely in consequence of the *Damage*; less any sum saved during the *Indemnity Period* in respect of such of the charges and expenses payable out of *Rent Receivable* as may cease or be reduced in consequence of the *Damage*.

Limit of Liability
The liability of the *Insurer* under this Section including the Extensions to the Section shall not exceed:
A. the *Sum Insured* or, in respect of any individual Items, the *Sub-Limit* specified in the *Schedule*; and
B. the *Maximum Indemnity Period* specified in the *Schedule.*

Extensions to Section 2

1. Auditor's Fees

This Section extends to indemnify the *Insured* for the necessary and reasonable fees payable to the *Insured's* auditors or professional accountants for producing such particulars or details contained in the *Insured*'s books of account or other business documents, or such other proofs, information or evidence as may be required by the *Insurer* provided that the *Insurer's* liability in respect of this Extension shall not exceed £5,000 any one *Period of Insurance.*

2. Buildings Awaiting Sale

If at the time of the *Damage*, the *Insured* will have contracted to sell their interest in any *Insured Premises* and the sale is cancelled or delayed solely in consequence of the *Damage*, the amount payable may at the *Insured's* option be either:

a) during the period prior to the date upon which but for the *Damage* the *Insured Premises* would have been sold the loss of rent being the actual amount of the reduction in the *Loss of Rent Receivable* by the *Insured* during the *Indemnity Period* solely in consequence of the *Damage*; or

b) during the period commencing with the date upon which but for the *Damage* the *Insured Premises* would have been sold and ending with the actual date of sale or with the expiry of the *Indemnity Period* if earlier the loss in respect of interest being:

> i) the actual interest incurred on capital borrowed solely to offset, in whole or in part, the loss of use of the sale proceeds for the purpose of financing the business; or
> ii) the investment interest lost to the *Insured* on any balance of the sale proceeds after deduction of any capital borrowed as provided for under paragraph i) above less any amount receivable in respect of rent.

This extension also covers, with the consent of the *Insurer*, additional expenditure being the expenditure necessarily and reasonably incurred during the *Indemnity Period* because of the *Damage* solely to avoid or minimise the loss payable under a) and b) above.
Provided that the *Insured* makes all reasonable efforts to complete the sale of the *Insured Premises* as soon as practicable after the *Damage*.

3. Denial of Access

The Section extends to include interruption of or interference with *Rent Receivable* in consequence of *Damage* caused by an *Insured Peril* to any property within 250 (two hundred and fifty) metres of the *Insured Premises* which prevents the use of or access to the *Property Insured* irrespective of whether or not the *Property Insured* suffers similar *Damage,* provided that the *Insurer* shall not be liable for any claim in excess of £25,000 any one *Occurrence* and £50,000 in total for all losses occurring during any one *Period of Insurance*.

No amount shall be payable under this Extension which would otherwise be covered under Extension 7 – Loss of Attraction.

4. Bomb Scare or Unlawful Occupation

This Section includes loss resulting from interruption of or interference with the Business as insured due to:
a) the suspected or actual presence of an incendiary or explosive device on or in the vicinity of the Premises;
b) occupation of the Premises or other property in the vicinity by members of a terrorist or criminal organisation or other unlawful occupants.
Provided the Insurers will not be liable for:
a) any incident involving an interruption of less than 48 hours duration;
b) any period other than the actual period of prevention or hindrance of access to the Premises;
c) eviction costs.
The insurance by this clause shall only apply for the period beginning with the loss and ending not later than 3 months thereafter during which the results of the Business shall be affected in consequence of the loss and the Insurers liability any one loss shall not exceed £10,000.

5. Infestation and Defective Sanitation

The *Insurer* shall indemnify the *Insured* for the *Loss of Rent Receivable* arising from interruption of or interference with the *Rent*
Receivable in consequence of the *Occurrence* at the *Insured Premises* of:

A. murder, suicide or food or drink poisoning;
B. vermin, pests or defective sanitation equipment; which causes restrictions on the use of the *Insured Premises* on the order or advice of the competent local authority; or
C. *Accidental Damage* as insured by this Section, to the drains or sanitary apparatus at the *Insured Premises* which results in closure of the *Insured Premises*.

6. Local Authority Rates
This Section extends to include the costs of local authority rates on *Unoccupied* properties. Provided that:
A. costs are incurred by the *Insured* solely as a result of the lessee being able to determine or frustrate the lease following *Damage*.
B. costs will not be payable in respect of any portion or portions of the *Insured Premises* that were untenanted at the time of *Damage*, unless a tenancy agreement had been signed within three (3) months of the date of *Damage* and subsequently cancelled solely as a result of *Damage* occurring.
C. the liability of the *Insurer* will not exceed:
i) £20,000 any one *Occurrence*;
ii) £100,000 in total for all losses occurring during any one *Period of Insurance*.
D. no payment under this Extension will be payable if the *Insured Premises* are unfit for occupation as a result of an act or omission by the *Insured* or any party acting on their behalf which has resulted in a valuation officer reinstating the *Property Insured* on the rating list.

7. Loss of Attraction
This Section extends to include *Loss of Rent Receivable* arising from interruption of or interference with the *Rent Receivable* due to Damage to property within 250 (two hundred and fifty) metres of the *Insured Premises* caused by an *Insured Peril* which discourages potential tenants to the *Insured Premises*, but the Insurer shall not be liable for any amount in excess of £25,000 any one *Occurrence* and £100,000 in total for all losses occurring during any one *Period of Insurance* or for a period in excess of six (6) months.

No amount will be payable under this Extension which would otherwise be covered under Extension 3 – Denial of Access.

8. Property Managing Agents
This Section extends to indemnify the *Insured* for *Loss of Rent Receivable* arising from interruption of or interference with the *Business* in consequence of *Damage* caused by a *Defined Peril* to property at the premises of any property managing agents employed or engaged to collect rent on behalf of the *Insured*, provided that:
A. such *Rent Receivable* is not paid directly to the *Insured* as a direct result of the *Incident*;
B. the *Rent Receivable* is not outstanding for 120 (one hundred and twenty) days in excess of its due date;
C. all reasonable steps to recover the *Rent Receivable* are taken; and
D. such *Rent Receivable* is not recoverable under any other Policy.

9. Public Utilities
The Section extends to indemnify the *Insured* for *Loss of Rent Receivable* arising from interruption of or interference with the *Rental Operations* in consequence of *Damage* by an *Insured Peril* to property at the premises of the following public utilities in the *Territorial Limits* from which the *Insured* obtains supplies or services:
A. any generating station or sub-station of the public electricity supply undertaking from which the *Insured* obtains electricity;
B. any land-based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith from which the *Insured* obtains gas; or
C. any water works or pumping station of the public water supply undertaking from which the *Insured* obtains water;
D. any land-based telecommunication services to the *Insured Premises*. Provided that the *Insurer* shall not be liable
i) for any claim in excess of £25,000 in any one *Period of Insurance*; for any loss arising from failures which do not involve the cessation of supply for at least sixty consecutive minutes; and
ii) the total or partial failure occasioned by strike or lock-out, total or partial withdrawal of labour, or total or partial cessation of work.

10. Rent Free Periods
If at the date of the *Damage* the *Insured Premises* are subject to a rent free period concession under the terms of the lease, the *Indemnity Period* will be adjusted by adding the unexpired portion of the rent free period to the maximum *Indemnity Period*.

11. Unauthorised Occupation
The Section extends to indemnify the *Insured* for *Loss of Rent Receivable* arising from interruption of or interference with the *Rent Receivable* as a result of the use of the *Insured Premises* or access thereto being hindered or prevented by

A. the occupation of person not authorised by or on behalf of the *Insured* except in the course of a dispute between any employer and *Person Employed* or group of workers; or

B. thought to contain or actually containing persons believed by the governmental authorities to be terrorists;

Provided that the police are immediately informed of the unauthorised occupation or possible terrorist occupation, the *Insurer* shall not be liable for:

A. losses arising from any cause within the control of the *Insured*; or

B. any event involving prevention of, hindrance of, access to or use of the *Insured Premises* for less than 48 (forty-eight) hours duration.

The maximum amount payable is £10,000 in any one *Period of Insurance*.

Conditions to Section 2
1. Adjustment
The *Annual Rent Receivable* and *Rent Receivable* are subject to such adjustments as may be necessary to provide for the trends and for variations in or other circumstances affecting the income derived from *Rental Property* so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Damage* would have been obtained during the relative period after the date of the *Damage.*

2. Average
If, at the time of *Damage* giving rise to *Loss of Rent Receivable*, the *Sum Insured* declared by the *Insured* in respect of *Rent Receivable* is less than the *Annual Rent Receivable* (or a proportionately increased multiple thereof where the *Maximum Indemnity Period* exceeds twelve (12) months), the *Insurer's* liability will be proportionately reduced.

3. Basis of Claims Settlement
The amount payable shall be the actual amount of the reduction in *Rent Receivable* incurred during the *Indemnity Period* in consequence of the *Damage* from the *Rent Receivable* estimated that would have been earned during that period had the *Damage* not occurred. Where under the terms of the lease or leases, rent reviews would have taken place during the *Indemnity Period* the Basis of Claims Settlement shall take into account such rent reviews, provided that the *Insurer's* total liability shall not exceed 200% (two hundred percent) of the *Sum Insured* on *Loss of Rent Receivable*.

4. Cessation of Rental Operations
If, subsequent to the happening of *Damage* by an *Insured Peril,* and in consequence of the same, any business owned or operated by the *Insured* for the purpose of its *Rental Operations* is no longer contractually entitled to *Rent Receivable* by operation of a rent cessor clause, rent suspension clause or equivalent, any obligation on the *Insurer* to indemnify the *Insured* will cease on the date that such clause ceases to be operable and the *Insured's* contractual entitlement to *Rent Receivable* resumes.

5. Due Diligence
In the event of *Damage* that may give rise to a claim under this Section, it is a *Condition Precedent* to the *Insurer's* liability under this Policy that the *Insured* shall with due diligence take all steps that are reasonably practicable to avoid or minimise any interruption of or interference with the *Insured's* operations as a provider of *Rental Property*.

6. First Twelve Months' Rental Operations
In the event of a claim arising from *Damage* occurring before the completion of the first 12 (twelve) months of the carrying out of the *Insured's Rental Operations*, any terms in this Section referring to income and outgoings during a prior period of 12 (twelve) months shall be adjusted so as to apply to the income and outgoings during the period from commencement of the *Insured's Rental Operations* to the date of the *Damage*.

7. Insured's accounting definitions
For the purpose of any definitions applicable to this Section, any adjustment implemented in current cost accounting shall be disregarded. The undefined words in this *Section* shall have the meaning usually attached to them in the *Insured*'s books and accounts.

8. Payments on Account
Payments on account shall be made by the *Insurer* to the *Insured* during the *Indemnity Period* if required, and shall be subject to any necessary adjustment at the end of the *Indemnity Period*.

9. Premium Payment
The premium paid for *Loss of Rent Receivable* may be adjusted on receipt by the *Insurer* of a declaration of the *Rent Receivable* earned during the financial year most nearly concurrent with the *Period of Insurance*, or any other changes to the amount of rent declared by the *Insured* at any time

10. Reinstatement of Limit
It is hereby mutually agreed that, in the event of payment of a claim under this Section, the *Sum Insured* shall be reinstated to the full amount from the time of the *Damage* until expiry of this Policy, in consideration of the additional premium paid or payable by the *Insured* in respect of the amount of such reinstatement.

11. VAT
To the extent that the *Insured* is accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.

Extensions to Sections 1 and 2

1. Acquisitions The insurance by Section 1 – Property Damage and Section 2 - Loss of Rent Receivable extends to include any new premises acquired by the *Insured* within the *Territorial Limits*. Provided that:
A. the activities carried on are of a similar nature to the *insured's* existing activities;
B. the *Insured* undertakes, as soon as practicable and in any event within 90 days, to give particulars of the acquisition and to effect specific insurance retrospectively from the date of its acquisition;
C. the *Insurer* will be entitled to charge an appropriate additional premium pro rata from the date of the acquisition by the *Insured* and may vary the terms of this *Policy* in respect of the acquisition;
D. the *Insurer* will not be liable if the premises are insured by or would but for the existence of this policy be insured by any more specific insurance policy or policies except in respect of any excess beyond the amount which would have been payable under the other insurance policy or policies had this insurance not been effected;
E. the liability of the *Insurer* in respect of any one claim for *Buildings* and *Loss of Rent Receivable* will not exceed:

- **i)** occupied office blocks £500,000 in respect any one *Insured Premises*;
- **ii)** unoccupied buildings £100,000 in respect any one *Insured Premises*;
- **iii)** any other building £250,000 in respect of any one *Insured Premises*.

2. Capital Additions
The insurance by Section 1 – Property Damage and Section 2 - Loss of Rent Receivable extends to include: **A.** any newly acquired buildings within the *Territorial Limits*, provided that the same are not otherwise insured; or
B. alterations, additions and improvements to *Buildings* but not in respect of any appreciation in value during the current *Period of Insurance*.
Provided that:
C. the liability of the *Insured* in respect of any one claim for *Buildings* and *Loss of Rent Receivable* will not exceed:

- **i)** occupied office blocks £500,000 in respect any one *Insured Premises*;
- **ii)** unoccupied buildings £100,000 in respect any one *Insured Premises*;
- **iii)** any other building £250,000 in respect of any one *Insured Premises*

D. the *Insured* undertakes to give particulars of such extension of cover as soon as practicable and to effect specific insurance retrospective to the date of the start of the *Insurer's* liability;
E. the provisions of this clause will be fully maintained, notwithstanding any specific insurance effected under b) above;
F. if cover is provided under this extension then cover will not apply at the same time in respect of extension **1. Acquisitions**

3. Inadvertent Omission to Insure
A. In respect of *Damage* to property where the *Insured* has notified the *Insurer* of its intention to insure all property in which it is interested and believes that all such property is insured and the property is found to have been inadvertently omitted from this insurance.

B. In respect of such property, the *Insurer* will deem it to be insured within the terms of this Policy, subject to payment of *Premium* on all property as from the start of this Policy (or from the date of the *Insured's* interest in the property if it is constructed, erected or purchased after the start of this Policy), provided that as soon as the *Insured* is aware of an omission, it declares full details of the property to the *Insurer*. Provided that the liability of the *Insurer* in respect of any one claim for *Buildings* and *Rent Receivable* will not exceed:

- **i)** occupied office blocks £500,000 in respect of any one *Insured Premises*;
- **i)** *Unoccupied Buildings* £100,000 in respect any one *Insured Premises*; and
- **ii)** any other *Building*, £250,000 in respect of any one *Insured Premises*.

4. Third Party Failure to Insure
The insurance by **Section 1 – Property Damage** and **Section 2 - Loss of Rent Receivable** extends to include:
A. *Damage* to *Buildings*;
B. Loss of *Rent Receivable* following *Damage* to *Buildings,* in which the *Insured* has an insurable interest but under the terms of the lease the responsibility for arranging adequate insurance falls upon a third party or third party lessee or lessor. Provided that:

- **i)** this Extension does not cover any contribution towards any more specific insurance in force;
- **ii)** this Extension does not cover any excess or self-imposed deductible;
- **iii)** a valid, enforceable lease is in force;
- **iv)** the *Insured* could not have prevented such failure;
- **v)** the cover applies solely in respect of claims arising directly from contingencies specified in the lease but in no case greater in scope than the cover provided by these sections;
- **vi)** the *Insured* annually undertakes a review of such third party insurances to ensure that the lessees or lessors have effected and maintain adequate insurance cover and upon discovery of a failure to insure or to insure for an adequate reinstatement value the *Insured* will immediately effect adequate insurance cover;
- **vii)** the liability of the *Insurer* in respect of any one claim for *Buildings* and *Rent Receivable* will not exceed:
- **i)** occupied office blocks £500,000 in respect of any one *Insured Premises*;
- **ii)** *Unoccupied Buildings* £100,000 in respect any one *Insured Premises*; and
- **iii)** any other *Building*, £250,000 in respect of any one *Insured Premises*.

Exclusions to Sections 1 and 2
The following Exclusions shall apply to these Sections of this Policy in addition to the **General Exclusions** of the Policy unless as stated otherwise.
1. The *Insurer* shall not be liable for any amount of the *Excess* as specified in the *Schedule* with respect to the Section or individual coverages under the Sections.
2. The *Insurer* shall not be liable for *Damag*e:
A. arising from any other *Insured Peril*, whether shown as operative on the *Schedule /* Certificate of Insurance or not;
B. to *Buildings* or structures in course of construction or erection and materials or supplies connected with them;
C. the cost of maintenance or routine decoration; or
D. to garden landscaping and paving, garden furniture, trees and plants, other than where coverage is specifically provided elsewhere in this Policy; Provided that this exclusion shall not exclude subsequent *Damage* resulting from an ensuing cause which is not otherwise excluded.
3. With respect to subsidence, ground heave and landslip, the *Insurer* shall not be liable for *Damage* or the resulting interruption or interference
A. arising from:

- **i)** collapse, cracking, shrinkage or settlement of new *Building(s)* or any part thereof;
- **ii)** coastal or river erosion;
- **iii)** defective design or workmanship or the use of defective materials, including inadequate construction of foundations;
- **iv)** settlement or movement of made up ground;
- **v)** the normal settlement or bedding down of new structures;

vi) fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;

vii) demolition, construction, structural alteration or repair of any *Building(s)* at the same *Insured Premises;* or

viii) groundwork or excavation at the same *Insured Premises*.

B. to forecourts, car parks, driveways, footpaths, walls, gates, hedges or fences at the same *Insured Premises*, unless specifically insured hereunder, provided such *Damage* also affects the structure of the *Building(s)* insured herein against such *Damage*;

C. which occurs while the *Building* or any part thereof in the course of erection, demolition, structural alteration or structural repair; or

D. which occurs at the same *Insured Premises* which originated prior to the inception of this cover.

4. With respect to storm, the *Insurer* shall not be liable for *Damage* or the resulting interruption or interference caused:

A. by the change in water table levels or the failure of tanking within basements and cellars;

B. by flash flooding or flood arising from surface water run-off;

C. by water inundation from the coast, a water course, lake, reservoir, ditch, drain, sewer or culvert;

D. by spray, salt or contaminants from any source listed in **C**. above;

E. by subsidence, ground heave or landslip; or

F. to garden landscaping and paving, garden furniture, tree and plants.

5. With respect to flood the *Insurer* shall not be liable for *Damage* or the resulting interruption or interference caused:

A. by the change in water table levels or the failure of tanking within basements and cellars;

B. by subsidence, ground heave or landslip; or

C. to garden landscaping and paving, garden furniture, tree and plants, gates and fences.

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6. With respect to breakage or collapse of aerials, the *Insurer* shall not be liable for the resulting interruption or interference caused by or arising from the erection, dismantling, repair or maintenance thereof.

7. With respect to *Damage* caused by malicious persons, the *Insurer* shall not be liable for *Damage* to or the resulting interruption or interference caused:

A. to garden landscaping and paving, garden furniture, tree and plants.

8. The *Insurer* shall not be liable for *Damage* or interruption or interference caused by theft or attempted theft:

A. unless there has been forcible and violent entry to or exit from the *Buildings* or theft of any part of the fabric of the *Buildings* whether or not there has been forcible and violent entry;

B. to garden landscaping and paving, garden furniture, tree and plants;

C. to contents, belonging to or in the custody and control of the *Insured,* from common areas of the *Buildings;*

D. from yards, gardens, open spaces or outbuildings to *Insured Premises*; or

E where such theft or attempted theft comprises the taking, or attempted taking, of goods by force during a catastrophe, such as war, natural disaster, riot, strike or civil commotion.

9. The *Insurer* shall not be liable for *Damage* or interruption or interference with caused by:

A. explosion, failure or collapse of a boiler (but not a boiler used for domestic purposes only) economiser or other vessel, machine, apparatus or pipe work at the *Insured Premises* in which internal pressure is due to steam only belonging to, or under the control of, the *Insured*;

B. leakage of electricity, self-ignition, over-running, excessive pressure, short circuiting, self-heating of the any equipment, electrical apparatus or fittings;

C. joint leakage failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels of any range of steam, and feed piping in connection therewith;

D. inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials;

E. faulty or defective workmanship, operational error or omission on the part of the *Insured* or any of their *Persons Employed*

where such error or omission is committed with the knowledge of or connived at by the *Insured*; or

F. the operation of machinery, plant, apparatus or equipment; Provided that this exclusion shall not exclude subsequent *Damage* resulting from an ensuing cause which is not otherwise excluded.

10. The *Insurer* shall not be liable for *Damage* or interruption or interference caused by or consisting of:

A. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, humidity, action of light, marring, scratching, vermin or insects;

B. change in temperature, colour, flavour, texture or finish;

C. *Pollution or Contamination*;

D. mechanical or electrical breakdown, derangement or overloading; or

E. the item of *Property Insured* undergoing any process involving the application of heat; but this exclusion shall not apply to *Damage* resulting from or resulting in an *Insured Peril*.

11. The *Insurer* shall not be liable for *Damage*, or interruption or interference caused by or consisting of:
A. acts of fraud or dishonesty on the part of the *Insured* or any partner, director or employee of the *Insured*, members of their families or any other person to whom *Property Insured* has been entrusted;
B. unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
C. impact with any *Property Insured* by any waterborne vessel or craft; or
D. Mould, fungi, spores, bacteria, or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health except in respect of insurance provide by the **Infestation and Defective Sanitation** under **Section 2 – Loss of Rent Receivable** or where the resulting *Damage* is caused by an *Insured Peril*. .
12. The *Insurer* shall not be liable for *Damage* or interruption or interference caused directly by or consisting of or occasioned by the voluntary parting with title or possession of any property or rights to property.
13. The *Insurer* shall not be liable for any *Damage* to property in transit covered or which should have been covered under a marine policy or policies.
14. The *Insurer* shall not be liable for *Damage* or the resulting interruption or interference caused directly by the *Property Insured's* own collapse or cracking unless such *Damage* results from an *Insured Peril* and is not otherwise excluded.
15. The *Insurer* shall not be liable for *Damage* or interruption or interference caused directly by or consisting of or resulting from cessation of work.
16. The *Insurer* shall not be liable for *Damage* or interruption or interference caused directly by loss of market, loss of use of *Property Insured* or consequential loss or *Damage* of any kind not specifically insured under this Policy.
17. The *Insurer* shall not be liable for *Damage* or interruption or interference attributable solely to change in the water table level.
18. The *Insurer* shall not be liable for *Damage* or interruption or interference attributable to *Damage* to the following property:
A. glass (other than *Glass*), china, earthenware, marble, statuary or other fragile or brittle objects but this exclusion shall not apply in respect of *Damage* caused by an *Insured Peril* and not otherwise excluded;
B. mobile phones, laptops, tablets or similar portable electronic equipment, documents, tenants' property, money or any articles of gold, silver or other precious materials, jewellery or other personal items;
C. property in transit except as provided for under the individual Extension clauses;
D. vehicles licensed for road use, caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
E. property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection;
F. land, roads, pavements, piers, jetties, bridges, culverts, underground shafts, mines or excavations; or
G. livestock, animals, growing crops or trees; unless specified in the *Schedule* as insured by this Section.

Section 4 – Employers' Liability

Additional Definitions

The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General Definitions section.

Airside liability

Liability in connection with any area of airport premises which has restricted rights of access, including manoeuvring areas, aprons, taxiways, runways and service roads, which are directly associated therewith.

Bodily Injury

Death, Bodily Injury or illness

Employee

a) any person under a contract of service or apprenticeship with the **insured**;

b) any labour master or labour only sub-contractor or persons supplied by them whilst under the direct control and supervision of the **insured**;

c) self-employed persons engaged by the **insured**;

d) persons engaged by the **insured** under work experience, training, study or similar schemes;

e) any person hired to, borrowed by or supplied to the **insured** from any other employer;

f) persons on secondment to the **insured** from the **insured's** parent or subsidiary companies outside the **United Kingdom**;

g) voluntary workers for the **insured**;

h) outworkers and home workers for the **insured**;

i) any prospective employee who is being assessed by the **insured** as to his or her suitability for employment;

j) any person determined to be an **employee** by a Court situated in the **territorial limits**.

Enforcing authority

Any government or statutory authority or body implementing or enforcing environmental protection legislation.

Occurrence (replaces the General Definition for this section only)

One event or series of events attributable to an originating source or cause.

Offshore

From the time of embarkation onshore onto a conveyance at the point of final departure to an offshore rig, offshore platform, or support or accommodation vessel, until disembarkation onshore from such offshore rig, offshore platform or support or accommodation vessel.

Pollution incident

A sudden identifiable unexpected and unintended **pollution** that takes place in its entirety at a specific time and place during the **period of insurance**.

Principal

Any party, other than a director, partner or **employee** of the **insured,** with whom the **insured** has entered into a contract in the course of the **business**.

Property damage

Direct physical loss of or direct physical damage to material property.

Remediation costs

The reasonable and necessary costs incurred by the **insured** (or for which the **insured** becomes legally liable to pay) to investigate, neutralise, remove, remediate (including associated monitoring) or dispose of soil, surface water, groundwater or other contamination as required by any **enforcing authority**, but does not include costs of achieving any improvement or alteration in the condition of the land, the atmosphere or any water course or body of water, beyond that required under any relevant and applicable law or statutory enactment at the time of remediation.

Temporary visit

A consecutive period of time not exceeding 6 months

Territorial limits

In respect of **Section 4 – Employers Liability**

The **United Kingdom** and elsewhere in the World, but only in respect of **temporary visits** in the course of the **business**, to such territories, by **employees** of the **insured**.

Section 4 – Employers' Liability

Operative clause

The **company** will, subject to the terms conditions, exclusions, extensions and **endorsements** contained in this **policy**, indemnify the **insured** up to the **limits** stated in the **schedule** in respect of:

1) all sums that the **insured** becomes legally liable to pay:

   a) as damages for **bodily injury** to any **employee** of the **insured** arising out of and in the course of employment with the **insured**, caused during the **period of insurance**, in connection with the **business**, within the **territorial limits**;

   b) in respect of associated claimants costs and expenses.

2) costs and reasonable expenses, incurred by or with the written consent of the **company**, in connection with Operative Clause 1) of this Sub-section.

3) all reasonable legal costs and expenses incurred with the written consent of the **company** for representation of the insured at:

   a) any Coroner's Inquest or Fatal Accident Inquiry in respect of any death;

   b) proceedings in any court of summary jurisdiction arising out of any alleged breach of statutory duty resulting in **injury**.

   Provided that in respect of any one **occurrence**, the following will apply:

   i) the total amount payable by the **company** in respect of Operative Clause 1) and all costs and expenses specified in Operative Clauses 2) and 3) of this Sub-section (including all extensions and memoranda) will not exceed the **limit** stated in the **schedule**;

   ii) where the **company** is required to indemnify more than one party, the total amount payable under Operative Clause 1) and all costs and expenses specified in Operative Clauses 2) and 3) of this Sub-section will not exceed the **limit** stated in the **schedule**.

All **insureds** under this **policy** will be treated together as one party or single legal entity so that there will only be two parties to the contract of insurance, namely the **company** and the first named **insured**.

Exclusions – Section 4

The indemnity provided by **Section 4 Employers' Liability** will not apply to any legal liability:

1) where the insured is required to arrange and maintain compulsory motor insurance or security for any motor vehicle or trailer or in accordance with road traffic act legislation in respect of **bodily injury** to any **employee** of the **insured**, happening during any **period of insurance**, in connection with the **business**, within the territorial limits.

Extensions – Section 4

Subject otherwise to the terms, conditions and exclusions of this **policy**, in so far as they can apply, the **company** will provide indemnity in respect of the following extensions and provided that the liability of the **company** under each extension will not exceed the **limit** stated in the **schedule**.

1) Injuries to partners

In respect of **injury** to any partner named in the **schedule**, the **company** will, for the purpose of this Sub-section, deem that person to be an **employee**.

Provided that:

a) the injuries are sustained whilst that person is working in connection with the **business**;

b) the injuries are caused by another partner or **employee** whilst working in the **business**;

c) the injured partner has a valid right of action in negligence, against the partner or **employee** responsible for such injury.

2) Unsatisfied court judgments

In the event of:

a) any **employee** or personal representative of any **employee** being awarded damages by any court in the **United Kingdom** for which a third party is liable, in respect of injury arising out of and in the course of the **employee's** employment or engagement by the **insured**;

b) caused during the **period of insurance**;

c) remaining unsatisfied in whole or in part six months after the date of such judgment,

the **company** will pay to the **employee** or the personal representatives of the **employee**, at the request of the **insured**, the amount of any such damages and any awarded costs to the extent that they remain unsatisfied, provided that:

i) there is no appeal outstanding against such judgment; and

ii) if any payment is made under the terms of this extension, the **employee** or the personal representatives of the **employee** will assign the judgment to the **company.**

The Maximum we will pay under this extension is GBP 1,000,000 and we will not pay for fines, penalties or awards of compensation imposed by a criminal court

Extensions – Section 4 – Employers Liability

Subject otherwise to the terms, conditions and exclusions of this **policy**, the **company** will provide indemnity in respect of the following extensions and provided that the liability of the **company** under each extension will not exceed the **limit(s)** stated in that extension or any other **limits** stated in the **schedule** where applicable;

1) Compensation for court attendance

In the event of any director or partner or **employee** attending court as a witness at the request of the **company** in connection with a claim in respect of which the **insured** is entitled to indemnity under this Sub-section, the **company** will provide compensation to the **insured** at the following rates per day for each day on which attendance is required:

a) any director or partner of the **insured** £750;

b) any other **employee** £250.

2) Cross liabilities

If the **insured** comprises more than one party, the **company** will provide indemnity to each such **insured**, in the same manner and to the same extent, as if a separate **policy** had been issued to each, provided that the cumulative total amount payable to all such **insureds** will not exceed the **limit(s)** stated in the **schedule**.

3) Indemnity to principals

To the extent that any contract or agreement entered into by the **insured** with any **principal** so requires, the **company** will, subject to the **limit(s)** stated in the **schedule**:

a) indemnify the **insured** against liability assumed by the **insured**; and

b) indemnify the **principal** in like manner to the **insured** in respect of the liability of the **principal** arising out of the performance by the **insured** of such contract or agreement.

Provided that:

i) the conduct and control of claims is vested in the **company**;

ii) the **principal** observes, fulfils and is subject to the terms, exclusions, conditions and **endorsements** of this **policy**;

iii) indemnity under this extension, in respect of **Sub-section 3A – Public Liability** will not apply to liability in respect of liquidated damages or to liability under any penalty clause;

iv) the indemnity granted under **Sub-section 3B – Employers Liability** will only apply in respect of liability to any person who is an **employee**.

Indemnity to any **principal** will only apply in respect of liability for which the **insured** named in the **schedule** would have been entitled to indemnity if the claim had been made directly against the **insured**.

For purposes of this extension the term **principal** includes, but is not limited to, any partner, co-venturer, subsidiary or affiliated or parent company to the **principal** but only to the extent that the contract between the **principal** and the **insured** requires these additional parties to be indemnified in a like manner to the **insured**.

Additional definitions

The following words will have the same meaning wherever they appear in this section of the policy or in the schedule or any endorsement relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions.

Applicable legislation

a) Health and Safety at Work etc. Act 1974 including the Control of Substances Hazardous to Health Regulations 2002 concerning the risk from exposure to legionella;

b) Management of Health and Safety at Work Regulations 1999;

c) Corporate Manslaughter and Corporate Homicide Act 2007;

d) Health and Safety Inquiries (Procedure) Regulations 1975;

e) Protection from Harassment Act 1997;

f) Part II of the Consumer Protection Act 1987 and Part II of the Food Safety Act 1990.

or similar legislation in force in the **territorial limits**.

Appointed advisor

The solicitor, accountant, mediator or other suitably qualified person, who has been appointed to act for an **insured person** in accordance with the terms of this section.

Costs and expenses (this definition replaces the General definition of costs and expenses for this section only)

Reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **appointed advisor** on the **standard basis** and agreed in advance by the **company**.

Insured person

a) The **insured** and their directors, partners, managers, officers and the **employees** of the **insured's business**.

b) The estate, heirs, legal representatives or assigns of any persons mentioned in a) in the event of the person dying.

c) Any other person who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your** other **employees** and who performs work under **your** supervision.

Reasonable prospects of success

In criminal prosecution claims where the **insured person**:

a) pleads guilty, a greater than fifty per cent chance of the **insured person** successfully reducing any sentence or fine;

b) pleads not guilty, a greater than fifty per cent chance of that plea being accepted by the court.

Standard basis

The basis of assessment of costs where the court only allows recovery of costs which are proportionate to the claim and which have been reasonably incurred.

Insuring clause

The **company** will pay the **insured person's costs and expenses** up to £1,000,000 in total during the **period of insurance** for all claims related by time or original cause including the cost of appeals, for:

a) the defence of any criminal proceedings brought against the **insured** for an offence or breach, whether actual or alleged, of any **applicable legislation**;

b) any prosecution costs awarded against the **insured** arising from those proceedings described in a) above;

c) **costs and expenses** incurred with the **company's** consent for the **insured's** legal representation at an inquiry ordered under any applicable legislation;

d) appeals against improvement and prohibition notices incurred with the **company's** consent.

Provided that:

1. the claim arises in connection with **your business** and occurs within the **territorial limits**;
2. the claim always has **reasonable prospects of success**;
3. the prosecution or proceedings relate to an offence alleged to have been committed during the **period of insurance**.

Conditions

Included here are the conditions of the insurance under this section that the insured needs to meet as their part of this policy. If the insured does not meet these conditions, the company may need to reject a claim or a claim payment could be reduced.

1. Acts of parliament, statutory instruments, civil procedure rules and jurisdiction

All legal instruments and rules referred to within this section of the policy include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any later amendment or replacement legislation.

2. Consent

The **insured person** must agree to the **company** having sight of the **appointed advisor's** file relating to the **insured person's** claim. The **insured person** is considered to have provided consent to the **company** or their appointed agent to have sight of the **appointed advisor's** file for auditing and quality and cost control purposes.

3. Barrister's opinion

At any time the **company** may seek an independent barrister's opinion as to the **reasonable prospects of success** in defending the prosecution.

If the opinion is that a "not guilty" plea does not have a **reasonable prospect of success** then the **company** will advise the **insured** of that opinion.

Should the **insured** elect to continue with a "not guilty" plea then the **company** will withdraw their support for the **insured person's** defence and be under no further obligation to cover the **insured** for any costs incurred from the date of **your** refusal to accept that opinion, unless the **insured** obtain an independent barrister's opinion at their own expense which contradicts the opinion that the **company** have obtained, in which case the **company** will ask the chairperson or vice-chairperson of the bar council to appoint a queen's counsel to give a final opinion, at **our** expense, as to the prospects of success in defending the prosecution.

If the opinion of the queen's counsel agrees with the **insured person's** barrister's opinion then the **company** will continue to support the **insured person's** defence, but if it does not the **company** will withdraw their support for the **insured person** and be under no further obligation to cover the **insured person's** costs incurred from the date of the queen's counsel final opinion.

This does not affect the **insured person's** right under the Arbitration clause contained within the Claims conditions section.

4. The insured person's responsibilities

An **insured person** must:

a) tell the **company** as soon as is practicably possible of anything that may make it more costly or difficult for the **appointed advisor** to resolve a claim in their favour;

b) cooperate fully with the **company**, give the **appointed advisor** any instructions **we** require, and keep them updated with progress of the claim and not hinder them;

c) take reasonable steps to recover **costs and expenses** and pay them to the **company**; and

d) keep **costs and expenses** as low as reasonably possible.

Exclusions

The **company** will not be liable under this section for any claim arising from or relating to:

1. Costs and expenses incurred without consent

costs and expenses incurred without the consent of the **company**;

2. Fines & penalties

fines or penalties of any kind;

3. Prior losses

any actual or alleged act, omission or dispute happening before, or existing at the start of the **policy**, and which the **insured person** knew or ought reasonably to have known could lead to a claim; and

4. Legal expenses insurance

costs and expenses incurred as a result of any criminal proceedings, appeals or inquiries which arise independently of any legal liability the **insured** may have to pay damages.

Section 5
Property Owners' Liability
Insuring Clause
The *Insurer* will indemnify the *Insured* and any *Additional Insured*:
1 against *Legal Liability* in respect of:
A *Injury* to any person;
B *Damage* to *Property*; and
C *Nuisance*, occurring during the *Period of Insurance* within the *Territorial Limits* in connection with the *Rental Operations*.

2 in respect of *Legal Costs* incurred with the written consent of the *Insurer* in connection with any *Incident* which is or may be the subject of indemnity under **1** above.

Limit of Liability and Legal Costs
1 Irrespective of:
A. the number of parties and/or entities entitled to indemnity; or
B. the number of claimants; the total amount payable by the *Insurer* under this Section and all Extensions in respect of any one *Incident* shall not exceed the *Limit of Liability* specified in the *Schedule*.
2 *Legal Costs* payable by the *Insurer* shall be paid in addition to the *Limit of Liability* unless otherwise stated provided always that:
A. if a payment of damages and/or claimant's costs and expenses exceeding the *Limit of Liability* has to be made to dispose of any claim; and
B. the *Insurer* are liable to pay *Legal Costs* in addition to the *Limit of Liability*; the liability of the *Insurer* for such *Legal Costs* shall be limited to such proportion as the *Limit of Liability* bears to the amount paid to dispose of such claim. Nothing contained in this clause shall be construed to vary or override Claims Condition 2 of this Policy. This Section provides cover against *Legal Liability* and *Legal Costs* in respect of *Injury* sustained by any person, other than a *Person Employed*, and *Damage* to *Property* directly or indirectly caused by, or contributed to by, or arising from an *Act of Terrorism* occurring during the *Period of Insurance* within the *Territorial Limits* up to a limit of GBP 5,000,000 in respect of any one *Incident* or the amount of the *Limit of Liability* as specified in the *Schedule*, whichever is the lower.

Extensions to Section 5

1. Defective Premises Act

The *Insurer* will indemnify the *Insured* against their *Legal Liability,* in respect of *Injury* or *Damage* to *Property,* incurred by virtue of defective premises legislation in connection with premises disposed of by the *Insured*.

This Extension will not apply to:

A. *Legal Liability* for the costs of remedying any defect or alleged defect in premises disposed of by the *Insured*;

B. the cost of repairing, replacing or reinstating any defect giving rise to such *Legal Liability* or for the rectification of faulty workmanship; or

C. *Legal Liability* in respect of which the *Insured* is entitled to indemnity under any other insurance.

2. Financial Loss

The *Insurer* will indemnify the *Insured* against all such sums the *Insured* become *Legally Liable* to pay as damages and costs and expenses of claimants in respect of financial loss. Provided that;

A. indemnity will only apply to loss sustained by a tenant of the *Insured* if such loss is a direct result of the failure of the *Insured* to provide property or any ancillary service;

B. any claim is first made in writing to the *Insurer* during the *Period of Insurance* and is notified to the *Insurer* during the same *Period of Insurance* or within thirty (30) days after the expiry of the same *Period of Insurance*;

C. the liability of the *Insurer* will not exceed £50,000 any one claim and in total for all claims during any one *Period of Insurance*;

D. the *Insured* will be liable for the first 10% of all damages and claimants' costs and expenses payable in respect of each claim made against the *Insured* subject to the *Insured* being liable for a minimum contribution of £2,500 and a maximum contribution of £10,000 in respect of each claim;

E. the indemnity by this Extension will not apply to *Legal Liability* caused by or arising out of:

i) *Injury* to any person;

ii) *Property Damage*;

iii) nuisance, trespass, obstruction, loss of amenities or interference with any right of way, air, light or water or other easement;

iv) arising under contract whether by virtue of express agreement or otherwise;

v) the actual cost or reduction or diminution in value of any property;

vi) fines, penalties or liquidated damages or payment to any statutory authority arising out of enforcement of any statutory requirement or duty;

vii) libel, slander, defamation of character, deceit or injurious falsehood, infringement of patent, copyright, design or trademark or trade name, discrimination, harassment or advertising injury;

viii) financial loss sustained by any employee arising out of or in the course of employment by the *Insured*;

ix) breach of professional duty or service;

x) any error or omission in estimates or advice given by or on behalf of the *Insured* in a professional capacity;

xi) any error or omission in any design, plans, drawings, specifications for which a fee is charged or would normally be charged;

xii) property in the custody or under the control of the *Insured* or any employee or failure to return such property;

xiii) the storage processing or transmission by or on behalf of the *Insured* of computer data;

xiv) delay, non-delay or non-delivery;

xv) any act of fraud or dishonesty by the *Insured* or any employee;

xvi) any circumstance know to the *Insured* at or prior to inception of this extension which may give rise to a claim for financial loss;

xvii) any loss outside the United Kingdom;

xviii) liability where legal action or litigation is brought in a Court of Law outside England and Wales or where action or litigation is brought in a Court of Law within those territories, to enforce a foreign judgement, whether by way of a reciprocal agreement or otherwise;

xix) any cause giving rise to financial loss happening before the Retroactive Date specified in the *Schedule*.

3. Legionellosis
The Insurer will indemnify the *Insured:*
A. against *Legal Liability* in respect of *Injury* caused by legionellosis arising out of the *Rental Operations* and for which:
i) a claim first made in writing to the *Insured* during the *Period of Insurance;* or
ii) the first notification of any circumstance which caused or is alleged to have caused *Injury* or can reasonably expected to give rise to a claim under the Policy; is made to the *Insurer* during or within thirty days of the expiry of the *Period of Insurance*; or
B. in respect of *Legal Costs* incurred with the written consent of the *Insurer* in connection with any *Injury* caused by legionellosis covered under this Extension; Provided that the maximum amount the *Insurer* will pay in respect of the cover under this Extension shall not exceed £500,000 in any one *Period of Insurance*

4. Libel and Slander
The insurance by this Section extends to include the *insured's* legal liability in respect of any act of libel or slander committed or uttered by the *insured* solely in respect of the *insured's* advertising or in-house and trade publication material prepared by the *insured*. Provided that:
A. the liability of the *Insurer* will not exceed £25,000 any one claim and in total for all claims during any *Period of Insurance*;
B. the *Insured* will be liable for the first 10% or £1,000 of each claim whichever is the higher;
C. the insurance by this extension will not apply if there is a more specific insurance in place covering libel and slander;
D. any claim is first made in writing to the *Insured* during the *Period of Insurance* and is notified to the *Insurer* during the same *Period of Insurance* or within 30 days after the expiry of the same *Period of Insurance.*

5. Movement of Obstructing Vehicles
The *Insurer* will indemnify the *Insured* in respect of liability caused by or arising from any vehicle (not owned or hired by or lent to the *Insured*) being driven by the *Insured* or by any *Person Employed* with the *Insured's* permission whilst such vehicle is being moved for the purpose of allowing free movement of any vehicle owned, hired by or lent to the *Insured* or any *Person Employed*, provided that:
A. all movements are limited to vehicles parked on or obstructing the *Insured Premises*;
B. the vehicle causing obstruction will not be driven by any person unless such person is competent to drive the
vehicle;
C. the vehicle causing obstruction is driven by use of the owner's ignition key;
D. the *Insurer* shall not provide indemnity against liability:
i) in respect of *Damage* to such vehicle; or
ii) in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle.

6. Overseas Personal Liability
The *Insurer* will indemnify the *Insured* and, if the *Insured* so requests, any director or partner of the *Insured* or *Person Employed* and the accompanying spouse of the director or partner of the *Insured* or *Person Employed* against legal liability incurred in a personal capacity while temporarily outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in connection with the *Business* provided that the *Insurer* shall not be liable in respect of any liability arising directly or indirectly out of or in connection with:
A. any country or territory which operates under the law of the United States of America or of Canada;
B. any liability arising out of the ownership or occupation of land or buildings;
C. manual work carried out during temporary visits outside the *Territorial Limits;* or
D. in respect of which indemnity is afforded by any other insurance.

7. Subrogation Waiver
It is a *condition precedent* to cover that the *Insured* does not, without specific prior written agreement by the *Insurer* agrees to any term of any contract or agreement which restricts, reduces or waives the

Insured's or the *Insurer's* right of recovery from any other party. When such prior written agreement is requested by the *Insured*, the *Insurer* shall be entitled to:
A. charge an additional premium;
B. request that *Insured* seek to renegotiate its contract to omit entirely such term(s);
C. exclude from cover liability for any amounts which would have been recoverable from another party in the absence of such term(s); and/or
D. apply a net contribution limit to the *Insurer's* indemnity in respect of the relevant project.

8. Wrongful Arrest
This Section is extended to include the *Insured's* liability arising out of wrongful detention, false or malicious arrest, malicious prosecution or false imprisonment arising out of any accusation of shoplifting, theft, dishonesty or other improper conduct by any person and occurring on or about the *Insured Premises*.

9. Corporate Manslaughter Legal Defence Costs
This Policy is extended to indemnify the *Insured* and if the *Insured* so requests any *Person Employed* or director or partner of the *Insured* in respect of *Legal Costs* incurred in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of manslaughter or culpable homicide or alleged manslaughter or culpable homicide, including a breach of the Corporate Manslaughter and Corporate Homicide Act 2007 and any amending and/or subsequent legislation, provided that an offence is alleged to have been committed during the *Period of Insurance* in the course of the *Rental Operations*. The *Insurer* shall be entitled, but not obliged, to assume the conduct of the defence of any criminal proceedings in respect of which an indemnity is provided under this Extension. The indemnity provided under this Extension shall not exceed GBP 1,000,000 any one claim and in the aggregate for all claims during any one *Period of Insurance*.

This Extension shall not apply:
A. to fines or penalties of any kind; or
B. where indemnity is provided by any other insurance.

10. Compensation for Court Attendance
If at the request of the *Insurer* any *Person Employed* or director or partner of the *Insured* shall attend court as a witness in connection with a claim in respect of which the *Insured* is entitled to indemnity under these Sections, the *Insurer* will provide compensation to the *Insured* at the following rates per day for each day on which attendance is required:
A. any director or partner of the *Insured* GBP 250; and
B. any other *Person Employed* GBP 150.

11. Health and Safety at Work Legal Defence Costs
Subject to the terms of the *Insurer's* written consent and the *Insurer's* control, the *Insurer* will indemnify the *Insured* and if the *Insured* so requests, any *Person Employed* or director or partner of the *Insured*, in respect of *Legal Costs* incurred in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978, and any amending and/or subsequent legislation (together the *Health and Safety Legislation*), provided that an offence is alleged to have been committed during the *Period of Insurance* in the course of the *Rental Operations*. This Extension will not apply:
A. to fines or penalties of any kind;
B. to proceedings consequent upon any deliberate act or omission by:
i) the *Insured*;
ii) any partner or director of the *Insured*;
which could reasonably have been expected to constitute a breach of the *Health and Safety Legislation* having regard to the nature and circumstances of such act or omission; or
C. where indemnity is provided by any other insurance.

Exclusions to Section 5

The following Exclusions shall apply to this Section in addition to the **General Exclusions** of the Policy unless as stated otherwise. The *Insurer* shall not be liable for the following *Legal Liability*:

1. Advertising Injury

to a third party arising out of the *Insured's* advertising activities, but only if such injury arises out of:

A. misappropriation of advertising ideas or style of doing business;

B. infringement of copyrighted advertising materials, titles or slogans; or

C. incorrect description or mistake in advertised price of goods, products or services sold, offered for sale or advertised.

2. Contractual Liability

owed by the *Insured* to a party or liabilities retained by the *Insured,* such as hold harmless clauses or waiver of rights of recovery, under the terms of any contract or agreement which would not have attached to or been retained by the *Insured* in the absence of such contract or agreement, except where the *Insurer* gives its prior written agreement.

3. Injury sustained by Persons Employed

for *Injury* sustained by any *Person Employed* arising out of and in the course of employment by the *Insured* in the course of its *Rental Operations*.

4. Property in the Insured's Care, Custody or Control

in respect of loss of or *Damage* to any *Property* which, at the time of the *Incident* giving rise to such liability, is owned by or held in trust by or in the care, custody or control of the *Insured* or any *Person Employed*, other than:

A. personal effects including vehicles and their contents of any *Person Employed* or any director or partner of or visitor to the *Insured*;

B. premises including their contents, not owned by or leased or rented to the *Insured* but temporarily occupied by the *Insured* for the purposes of undertaking work in connection with the *Rental Operations*, provided that this paragraph shall not include any property to which **A** directly above applies; or

C. premises and their fixtures and fittings leased or rented to the *Insured*, excluding liability:

i) which attaches by way of any contract or agreement and that would not have attached in absence of such agreement;

ii) *Damage* caused by fire or explosion.

5. Pollution or Contamination

directly or indirectly caused by, arising from or in connection with *Pollution or Contamination*.

6. Vehicles

arising out of the ownership or possession or use of any mechanically propelled vehicle by or on behalf of the *Insured* in circumstances where insurance or security is required under the provisions of any road traffic legislation, but this Exclusion will not apply to:

A. mechanical plant while operating as a tool of trade;

B. the loading or unloading of any vehicle; except in respect of *Legal Liability* for which:

i insurance or security is required by law; or

ii indemnity is provided by any motor insurance contract.

7. Vessels and Craft

arising out of the ownership, possession or use by or on behalf of the *Insured* of any vessel or craft designed to travel in, on or through water, air or space.

This Section shall not apply to the policy unless specified as INSURED in the Schedule.

General Exclusions

The following General Exclusions shall apply to all Sections of this Policy unless as stated otherwise. In the event any portion of these Exclusions is found to be invalid or unenforceable the remainder shall remain in full force and effect.

The *Insurer* shall not be liable under this Policy for any:

1. Chemical and Biological

Loss*, Damage, Loss of Rent Receivable* or *Legal Liability* arising, directly or indirectly, from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind chemical and/or biological and/or radiological irritants, contaminants or pollutants, save for where specific cover is provided elsewhere under this Policy.

2. Cyber and Data

A. Cyber

Loss, *Damage*, *Loss of Rent Receivable*, *Legal Liability* or any other loss, cost or expense arising out of or caused deliberately or accidentally by:

i) the use of or inability to use any application, software, or programme;

ii) any *Virus or Similar Mechanism* or *Denial of Service Attack*;

iii) any computer related hoax relating to i and/or ii above.

B. *Electronic Data*

Loss or *Damage* to*,* or *Loss of Rent Receivable, Legal Liability*, cost or expense arising out of such loss or *Damage* to, any *Electronic Data* wherever it is stored, unless such loss or damage results from an *Insured Peril* and is not otherwise excluded. For the purpose of this Exclusion, *Electronic Data* means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

3. Excess

for the amount of the *Excess* specified in the *Schedule*.

4. Electronic Date Recognition

Loss*, Damage, Loss of Rent Receivable* or consequential loss or *Legal Liability* directly or indirectly caused by or consisting of or arising from the failure of any computer, data processing equipment or media, microchip, integrated circuit or similar device or any computer software, whether the property of the *Insured* or not:

A. correctly to recognise any date as its true calendar date;

B. to capture, save or retain, and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date; or

C. to capture, save, retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save or retain or correctly to process such data on or after any date; but this shall not exclude subsequent *Damage* to the *Insured*'s property including hired in plant and hired temporary buildings or consequential loss resulting therefrom not otherwise excluded under this Policy, which itself results from an *Insured Peril*.

For the purposes of this General Exclusion the words *Insured Peril* shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any apparatus or pipe, impact by any road vehicle or animal and theft.

5. Communicable Disease

1. Notwithstanding any provision to the contrary within this policy, this policy does not cover all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of,

contributed to by, resulting from or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purpose of this exclusion, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
3.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
3.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid, or gas or between organisms, and
3.3 the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

6. Law and Jurisdiction

Judgments, awards, settlements or orders of courts outside the *Territorial Limits* as defined, or orders seeking to enforce such judgments, awards, settlements or orders, or any liability arising under the law of any place outside the *Territorial Limits*.

7. Mould and Fungus

Loss*, Damage, Loss of Rent Receivable* or *Legal Liability* arising, directly or indirectly, from mould, fungi, spores, bacteria, or any form of bacterial contamination except in respect of insurance provide by the **Infestation and Defective Sanitation** Extension under **Section 2 – Loss of Rent Receivable** or where the resulting *Damage* is caused by an *Insured Peril*.

8. Nationalisation and Confiscation

Loss, Damage, Loss of Rent Receivable or *Legal Liability* arising, directly or indirectly, from loss or destruction of or *Damage* to any property or any consequential loss caused by or contributed to confiscation, nationalisation, requisition, seizure or destruction by or under the order of any government or any public or local authority.

9. Northern Ireland

Loss*, Damage, Loss of Rent Receivable* or *Legal Liability* arising, directly or indirectly, from *Damage* to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence of:
A. civil commotion; or
B. any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any unlawful association, being an organisation which is engaged in *Act of Terrorism* and includes an organisation which at any time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973 or any amendment thereto. In any action, suit or other proceedings where the *Insurer* alleges that by reason of this exclusion any loss, destruction or *Damage* or loss resulting from such loss, destruction or *Damage* is not covered by this Insurance (or is covered only up to a *Limit of Liability* as specified in the *Schedule*) the burden of proving such loss, destruction or *Damage* or loss resulting from such loss, destruction or *Damage* is covered (or is covered beyond that *Limit of Liability*) shall be upon the *Insured*.

10. Other Insurance

Any loss*, Damage, Loss of Rent Receivable,* consequential loss or *Legal Liability* arising, or cost and expenses, which are otherwise more specifically insured under any other Policy by or on behalf of the *Insured.*

11. Punitive and Exemplary Damages

for any fines or damages for breach of contract or any penalties of whatsoever nature.

12. Radioactive Contamination,

Loss*, Damage, Loss of Rent Receivable* or *Legal Liability* arising, directly or indirectly, from:
A. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
B. the radioactive, toxic, explosive or other *Hazardous Substance* or contaminating properties of any explosive nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

C. any weapon of war or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or
D. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when those isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes.

13. Sonic Boom

Loss*, Damage, Loss of Rent Receivable* or *Legal Liability* arising, directly or indirectly, from pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

14. Terrorism or Act of Sabotage

A. Loss*, Damage, Loss of Rent Receivable* or *Legal Liability* arising, directly or indirectly, from any *Act of Terrorism* or *Act of Sabotage* including any action taken in controlling, preventing, suppressing or any *Act of Terrorism*;

B. Loss, *Damage*, injury, cost or expense directly or indirectly arising out of:

> **i)** any business interruption losses resulting from customers or suppliers' extensions or denial of access due to any*Act of Terrorism* or *Act of Sabotage*; or
> **ii)** Loss, *Damage*, cost or expenses directly or indirectly arising out of any service interruption due to any *Act of Terrorism* or *Act of Sabotage*.

Provided that this exclusion shall not apply to the extent of the *Terrorism* cover provided under **Section – Property Owners Liability**.

15. War

Loss*, Damage, Loss of Rent Receivable* or *Legal Liability* arising, directly or indirectly, from *War*, whether *War* be declared or
not.

Claims Conditions

The following Claims Conditions shall apply to all Sections and Extensions of this Policy unless stated otherwise.
Please also refer to the "How to make a Claim" Section at the end of this Policy.

In respect of Section 1- Property Damage and Section 2 – Loss of Rent Receivable

1. In the event of a claim, or any circumstances which may give rise to a claim under this Policy the *Insured* shall notify the *Insurer* via the broker or intermediary or by contacting the *Insurer* directly via the Claims Notification details specified in the *Schedule*:

A. within seven (7) days in the case of *Damage* caused by riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons; or

B. as soon as practicable but in any event no later than 30 (thirty) days of the event giving rise to the loss
or *Damage* caused by any other *Insured Peril.*

2. Additionally, in the event of any theft, attempted theft, riot, malicious damage or *Act of Terrorism* (if and to
the extent that *Act of Terrorism* is insured by this Policy), the *Insured* shall immediately notify the police and any other relevant public or local authority.

3. The *Insured shall* supply at its own expense full details of the claim, in writing, together with any supporting information, receipts and proofs which the *Insurer* may reasonably require, and no claim shall be paid until the *Insured* has complied with this paragraph.

In respect of Section 5– Property Owners' Liability

1. As a *Condition Precedent* to liability, the *Insured* shall notify the *Insurer* via the dedicated 24 (twenty-four) hour telephone number specified in the *Schedule* immediately the *Insured* is aware of any occurrence or
circumstances which may give rise to a claim, regardless of any applicable *Excess.*.

2. In the event that the *Insurer* requires the completion of a 'Claim Form' following notification of any claim or circumstances which may give rise to a claim, it is a *Condition Precedent* to *Insurer's* liability that the *Insured* shall complete and sign the 'Claim Form' required by the *Insurer* as a Statement of Fact and return it to the address below within seven (7) days of receipt.

3. As a *Condition Precedent* to *Insurer's* liability, every letter, claim, writ, summons and/or process in connection with such claim or circumstances shall be forwarded to the *Insurer* at the address specified in the *Schedule*, immediately on receipt and in electronic format within seven (7) days (business) of the date and time of receipt.

4. As a *Condition Precedent* to liability, the *Insured* shall notify the *Insurer* via the Claims notification details specified in the *Schedule* immediately when the *Insured* has knowledge of any prosecution, inquiry or inquest in connection with any claim or circumstances which may give rise to liability under this Policy.

5. No admission, offer, promise, payment, *Legal Cost* or indemnity shall be made or given by or on behalf of the *Insured* without the *Insurer's* written consent.

6. The *Insurer* is entitled to take over and conduct in the name of the *Insured* the defence or settlement of any claim, or to prosecute any claim in the name of the *Insured* for their own benefit, and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. The *Insured* shall give all such information and assistance as the *Insurer* may require.

7. It is a *Condition Precedent*, that if the *Insured* receives any Claim Notification Form(s) or notification directly from a third party Claimant or their appointed representative, the *Insured* must acknowledge receipt of the Claim Notification Form(s) or notification to the third party Claimant or their appointed representative in;

A. An electronic format; and
B. Within 24 (twenty-four) hours from the date and time of receipt thereof of the Claim Notificaton; and
C. The acknowledgement of the Claim Notification Form(s) must state that the Claim Notification Form(s) has been sent to your *Insurer*.

8. It is also a *Condition Precedent* that the Claim Notification Form(s) must be sent within 24 (twenty-four) hours of receipt to the *Insurer* and any failure to comply with this condition may result in the *Insurer* refusing to indemnify, or the *Insured* being liable for any increased costs and/or damages to settle the claim, if such costs and damages would not have been incurred if the *Insured* had complied with this 'Acknowledgement of Claim Notification Form(s)' clause.

9. In respect of any claims against the *Insured* under the Property Owner's Liability Section of this Policy to which a *Limit of Liability* applies, the *Insurer* may at any time pay the amount of such *Limit of Liability* after deduction of any sums already paid/incurred or any lesser amount for which at the absolute discretion of the *Insurer* such claims can be settled. The *Insurer* will then give up control of the said claims and be under no further liability in respect of the same, except for *Legal Costs* for which the *Insurer* may be responsible prior to the date of such payment unless the *Limit of Liability* is inclusive of *Legal Costs*.

General Conditions

The following General Conditions shall apply to all Sections of this Policy unless stated otherwise:

1. Abandonment

The *Insured* shall not in any case be entitled to abandon any property to the *Insurer* whether taken possession of by the *Insurer* or not.

2. Action to Minimise Loss

It is a *Condition Precedent* that if any circumstance occurs which may give rise to a claim under this Policy the *Insured* shall take action to minimise the loss or *Damage*, to avoid interruption or interference with the *Rental Operations* and to prevent further *Damage* or *Injury*.

3. Alteration of Risk

If, after the beginning of the *Period of Insurance,* there is any alteration:

A. by removal;
B. whereby the risk of *Damage*, *Injury* or *Legal Liability* is increased;
C. whereby the *Insured*'s interest ceases except by will or operation of law;
D. whereby any business of the *Insured* owned or operated for the purpose of *Rental Operations* is wound up or carried on by a liquidator or receiver, or put into administration or otherwise permanently discontinued; or
E. any change is made in the description of the *Rental Operations, Rental Property, or Insured Premises,* the *Insured* shall give written notice to the *Insurer* as soon as possible and in any event no later than 14 (fourteen) days from the date of the alteration or the *Insured's* knowledge of the alteration*.* The *Insurer* reserve the right to amend the terms of this Policy at the time of such notification and no indemnity shall be provided
until the *Insured* has accepted the terms in writing and by an Endorsement attaching to this Policy.
Any change in the description of the *Rental Operations, Rental Property, or Insured Premises* and any material variation from the information supplied to the *Insurer* prior to the *Period of Insurance* and not notified to the *Insurer* is not indemnified under this Condition.

4. Assignment

Any assignment or transfer of the insurance provided by this Policy will not be valid without the prior written or electronically communicated consent of the *Insurer*.

5. Cancellation

A. This Insurance may be cancelled at any time by the *Insured,* giving notice in writing to the *Insurer.*

i) If the *Insured* has taken out this Policy for purposes which are wholly or mainly unrelated to their trade, business or profession, the Insured may cancel this Policy within 14 days of receiving the Policy or renewal notice by writing to the Insurers and in such event the Insured will be entitled to a return of premium in respect of the unexpired portion of the Period of Insurance unless the Insured has notified or made a claim.
ii) If the *Insured* wishes to cancel the Policy after the conditions set out in point A i) above then the Insured must give 14 (fourteen) days' notice by recorded delivery letter to the *Insurer*. The *Insured* shall be entitled to a return of premium in respect of the unexpired portion of the *Period of Insurance* only.
iii) If a claim has been submitted or paid or a circumstance notified to the *Insurer* as being likely to give rise to a claim during the *Period of Insurance*, no refund of premium shall be given under any circumstances.
B. This Policy may also be cancelled by the *Insurer:*
i) by sending 14 (fourteen) days' written notice by recorded delivery letter to the last known address of the *Insured* stating the reason for cancellation, or
ii) immediately if, after the start of the *Period of Insurance,* any business owned or operated by the *Insured* is wound up or carried on by a liquidator, receiver or administrator or permanently discontinued.
Where this Condition is exercised, the *Insured* is entitled to a return of premium in respect of the unexpired portion of the *Period of Insurance*, after any adjustment of the *Premium* paid as provided for by any conditions of this Policy, and subject to no claim having been paid or being outstanding (in whole or in part) in respect of the expired portion of the *Period of Insurance*. In the event of receipt of notice of cancellation by either party after a claim has been paid, any premium outstanding shall become immediately payable.

6. Choice of Law and Jurisdiction

Unless otherwise agreed by the *Insurer* and the *Insured*, this Policy shall be subject to and construed solely in accordance with the laws of England and Wales, and any disputes not falling within the scope of any arbitration provisions herein shall be subject to the exclusive jurisdiction of the courts of England and Wales.

7. Contract (Rights of Third Parties) Act 1999

This insurance does not confer or create any right enforceable under the Contracts (Rights of Third Parties) Act 1999 or any amending or subsequent legislation by any person who is not named as the *Insured* and both the *Insurer* and *Insured* may amend, cancel or lapse this insurance without giving notice to, or requiring the consent of, any other third party. However, this will not preclude rights enforceable under the Third Parties (Rights against Insurers) Act 2010 or any subsequent or amending legislation.

8. Contribution

If at the time of any claim(s) covered by the **Section 1 - Property Damage** and **Section 2 - Loss of Rent Receivable** Sections of this Policy, other insurance policies cover the same risk or part of the same risk, the *Insurer* shall not be liable for more than a percentage proportion of the claim calculated by reference to the policy limits of each applicable insurance policy. If any such other insurance policies are subject to any condition relating to underinsurance (also known as Average), this Policy, if not already subject to any such condition, shall be subject it in the same way. If any such other insurance is subject to any provision whereby it is excluded from applying equally alongside this Policy, either in whole or in part, or from contributing proportionately as described above, the liability of the *Insurer* shall be limited to that proportion of the *Damage* which the *Sum Insured* under this Policy bears to the value of the property.

9. Excess

No indemnity is provided until the applicable *Excess* for any claim has been paid to and received by the *Insurer* hereon.

10. Fraudulent claims

A. If the *Insured* makes a fraudulent claim under this insurance, the *Insurer:*

- **i)** is not liable to pay the claim;
- **ii)** may recover from the *Insured* any sums paid by the *Insurer* to the *Insured* in respect of the claim;
- **iii)** may by notice to the *Insured* treat the contract as having been terminated with effect from the time of the fraudulent act; and
- **iv)** need not return any of the premiums paid.

11. Insurance Act 2015

Nothing in this insurance contract is intended to limit or affect the statutory rights or obligations of any of the parties to this contract under, and/or the effect of, Parts 2, 3, 4 or 5 of the Insurance Act 2015.

12. Investigation Rights following a Claim

In the event of a claim or notification of any circumstance which may give rise to a claim under this Policy, the *Insurer* (and every person authorised by them) has the right to enter the relevant premises, and to take and keep possession of any of the *Property Insured* (or require it to be delivered to them) for investigative purposes, and to deal with any salvage in a reasonable manner. No claim under this Policy shall be payable unless the terms of this Condition have been complied with. This Condition shall be evidence of permission from the *Insured* to the *Insurer*. If the *Insured* or anyone acting on behalf of the *Insured* does not comply with the requirements of the *Insurer* or hinders or obstructs the *Insurer* in doing any of the above-mentioned acts, then all benefit under this Policy shall be forfeited.

13. Non aggregation

In the event a claim involves losses which may be covered under more than one Section of this Policy, the *Insured* shall be entitled to indemnification under only the Section providing more specific cover with regard to that claim

14. Compliance with Terms and Right of Recovery

Compliance with the terms of this Policy relating to anything to be done or complied with by the *Insured* is a condition precedent to any liability of the *Insurer*, except in so far as is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to the compulsory insurance of *Legal Liability* to *Persons Employed*. The *Insured* shall repay to the *Insurer* all sums paid under this Policy, with special reference to the

15. Observance and Care

It is a *Condition Precedent* to liability that the *Insured* shall:

A. comply with all statutory and other obligations and regulations imposed by any authority;
B. maintain the *Insured Premises*, machinery, plant and equipment and other services (including fire, security and safety equipment) in a satisfactory state of repair;
C. exercise reasonable care in the selection and supervision of *Persons Employed* and in the employment of competent staff;
D. in the event of discovery of any defect or danger immediately cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require; and
E. take all reasonable care to prevent any circumstances or to cease any activity which may give rise to liability under this Policy.

16. Payment of Premium

No indemnity is provided by this Policy until the premium has been paid to and received by the *Insurer*. If the premium is not paid and accepted by the *Insurer* on or before the premium payment date specified in the *Schedule,* the *Insurer* can give written notice to the *Insured* at its address specified on the *Schedule* cancelling the Policy.

17. Reasonable diligence

It is a *Condition Precedent* that the *Insured* shall take all reasonable precautions:

A. for the safety of and to avoid, prevent or minimise any *Damage* to the *Property Insured*; and
B. to avoid, prevent or minimise any injury to others or *Damage* to their property; which might give rise to a claim under this Policy.

If the *Insured* does not take such reasonable precautions, the *Insurer* will be entitled to rely on this to exclude, limit or discharge their liability for any claim unless the *Insured* shows that its non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

18. Reinstatement of Damage

If the *Insurer* elect or become bound to reinstate or replace any property, the *Insured* shall at its own expense provide all such plans, documents, books and information as the *Insurer* may reasonably require. The *Insurer* shall not be bound to reinstate exactly or completely, but only as circumstances permit and in a reasonably sufficient manner, and shall not in any case be bound to pay out in respect of any one of the items of *Property Insured* more than its *Sub-Limit*.

19. The duty of fair presentation

A. The *Insured* owes the *Insurer* a legal duty to make a fair presentation of the risk. That is, to disclose to the *Insurer* all information which the *Insured* knows, or ought to know, which is relevant to the *Insurer's* decision whether or not to provide this Insurance.
B. If the *Insured* deliberately or recklessly breaches the duty of fair presentation, the *Insurer* will be entitled to avoid the insurance contract, refuse to pay all claims, and retain any premium paid.
C. If the *Insured's* breach of duty is not deliberate or reckless, the *Insurer* will be entitled to a remedy based on what it would have done had the *Insured* complied with the duty.

i) If the *Insurer* would not have entered into the contract at all, the *Insurer* may avoid the contract and refuse all claims, but will return the premium paid.
ii) If the *Insurer* would have entered into the contract but on different terms (other than terms relating to the premium), the contract may be treated as if it was entered into on those different terms from the outset.
iii) If the *Insurer* would have entered into the contract but would have charged a higher premium, the *Insurer* may reduce proportionately the amount to be paid on a claim.

20. Risk Improvements Survey

The *Insurer* or a representative of the *Insurer* has the right to undertake a risk improvement survey of the *Insured's* premises. Following the survey report, it is a *Condition Precedent* to *Insurer's* liability that the risk improvement requirements in the report are completed by the *Insured* on or before any specific completion deadline dates quoted by the *Insurer*. If the *Insured* is unable to comply with one or more of the risk improvement requirements by the date specified, the *Insured* or their representative should notify the *Insurer* within seven (7) days of their receipt of the report and agree alternative completion deadline date or dates. However, this shall not be permitted in respect of such risk improvement requirements which the *Insured* had agreed to complete immediately or within 14 days of the date of the survey.

If such deadline dates are unrealistic, the *Insured* shall be responsible to make this clear to the surveyor at the time of the survey, and to agree alternative deadline dates with the surveyor. If the *Insured* does not respond to the *Insurer* within seven (7) days of their receipt of the survey report it will be assumed that completion dates have been understood, accepted and will be complied with. If the risk improvement requirements have not been completed in whole or in part by the completion deadline dates the *Insurer* shall have the right to:

A. amend the Policy terms, conditions or exclusions and / or require completion of risk improvements issued in writing by the *Insurer* within a defined period, or
B. terminate the Policy from inception, in writing to the *Insured* at the address in the *Schedule*.

If the *Insurer* elects to change the terms in accordance with **A** above, the *Insured* may:

> **i)** terminate the Policy within 14 days of receipt of the revised terms by giving notice in writing to the *Insurer* and the *Insured* shall be entitled to a pro rata return of premium for the unexpired *Period of Insurance*; or
> **ii)** continue the Policy at the revised terms for the remainder of the *Period of Insurance*.
> If any inspection or survey results highlight any defects or concerns which are likely to increase the risks covered by this Policy, the *Insurer* reserves the right to cancel, suspend or alter any terms of this Policy. If the *Insurer* opts to suspend cover, such cover will only be reinstated after the defects have been remedied and the remedied situation is approved by the *Insurer*.

21. Sanctions

The *Insurer* shall not be deemed to provide cover or be liable to pay any claim or provide any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the *Insurer* to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

22. Several Liability

The subscribing *Insurer's* obligations hereunder are several and not joint, and are limited solely to the extent of their individual subscriptions. The subscribing *Insurers* are not responsible for the subscription of any co-subscribing Insurer(s) or underwriter(s) who for any reason does not satisfy all or any part of their obligations.

23. Subrogation

Any claimant under this Policy shall, at the request and expense of the *Insurer*, take and permit to be taken all necessary steps for enforcing rights and remedies against any other party in the name of the *Insured*, whether such steps are or become necessary before or after any payment is made by the *Insurer*.

24. Subrogation Waiver

Notwithstanding the subrogation condition above, in the event of a claim arising under this Policy the *Insurer* agree to waive any rights, remedies or relief to which they might become entitled by subrogation against:
A. any Company which is a parent to subsidiary (or subsidiary to parent) of the *Insured*; or

B. any Company which is a subsidiary of a parent Company of which the *Insured* themselves are a subsidiary; in each case within the meaning of the Companies Act(s). In respect of any other party, it is a *Condition Precedent* to cover that the *Insured* does not, without specific prior written agreement by the *Insurer*, agree to any term of any contract or agreement which restricts, reduces or waives the *Insured's* or the *Insurer's* right of recovery from any other party. When such prior written agreement is requested by the *Insured*, the *Insurer* shall be entitled to:

- **i)** charge an additional premium;
- **ii)** request that *Insured* seek to renegotiate its contract without such term(s);
- **iii)** exclude from cover liability for any amounts which would have been recoverable from another party in the absence of such term(s); and/or
- **iv)** apply a net contribution limit to the *Insurer's* indemnity in respect of the relevant project.

25. Unoccupied Buildings

Whenever the *Property Insured* becomes *Unoccupied* the *Insured* will:

A. notify the *Insurer* as soon as reasonably practicable the *Building* insured becomes *Unoccupied* **and** the *Insurer* shall have the right to impose additional conditions, exclusions and charge a suitable additional premium as the *Insurer* may require

B. have implemented the following measures:

- **i)** all gas, water, fuel and electricity services and /or supplies (except specific electrical circuits which are required to be maintained to ensure the continued operation of an intruder or fire alarm system) are kept shut off at the switch or stopcock where they enter the *Building*; and
- **ii)** all water and heating systems to be drained and be kept drained; and
- **iii)** if the mains services are required to remain connected or water pipes and tanks not drained for operation of any heating or security or sprinkler systems, the heating must be maintained in the *Insured Premises* at a minimum temperature of 5 (five) degrees centigrade;
- **iv)** the *Insured* will secure the *Property Insured* against unlawful entry with all windows firmly secured so as to prevent unauthorised entry and by putting all protective locking devices and any alarm protection into effective operation and all external doors of the *Property Insured* being fitted with a mortice deadlock which has 5 or more levers and or conforms to BS3621 : 2004 specification for thief-resistant locks and matching boxed striking plate; and
- **v)** sealing all letter boxes; and
- **vi)** any *Building* and the external areas surrounding that *Building* to be kept free of all unfixed combustible materials; and
- **vii)** any additional requirements put forward by the *Insurer* to be completed within the timescale specified; and
- **viii)** all *Buildings* to be inspected internally and externally by the *Insured* or their nominees at least weekly to check that the requirements of this condition are in place. Records of these inspections are kept and are available for inspection by the *Insurer*
- **ix)** there is no refurbishment or renovation work unless previously agreed by the *Insurer*

Further Information

Complaints Procedure

Please refer to the How to make a Complaint Section at the end of this Policy

Data Protection Information

Who We are

We are the Lloyd's underwriter(s) identified in the contract of insurance and/or in the certificate of insurance.

The basics

We collect and use relevant information about you to provide you with *Your* insurance cover or the insurance cover that benefits you and to meet our legal obligations.

This information includes details such as *Your* name, address and contact details and any other information that *We* collect about you in connection with the insurance cover from which *You* benefit. This information may include more sensitive details such as information about *Your* health and any criminal convictions *You* may have.

In certain circumstances, *We* may need *Your* consent to process certain categories of information about *You* (including sensitive details such as information about *Your* health and any criminal convictions *You* may have). Where *We* need *Your* consent, *We* will ask you for it separately. *You* do not have to give *Your* consent and *You* may withdraw *Your* consent at any time. However, if *You* do not give *Your* consent, or *You* withdraw *Your* consent, this may affect *Our* ability to provide the insurance cover from which *You* benefit and may prevent *Us* from providing cover for *You* or handling *Your* claims.

The way insurance works means that *Your* information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. *We* will only disclose *Your* personal information in connection with the insurance cover that *We* provide and to the extent required or permitted by law.

Other people's details you provide to us

Where *You* provide us or *Your* agent or broker with details about other people, *You* must provide this notice to them.

If **you** have any questions relating to the processing of **your** information, please write to The Munich Re Syndicate Limited Data Privacy Officer, Munich Re Syndicate Limited, St Helen’s, 1 Undershaft, London, EC3A 8EE.

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How to make a Claim

Claims Procedure - Section 1 – Property Damage, Section 2 – Rent Receivable & Section 5 - Property Owners Liability

If you need to make a claim please contact:

MRSL Commercial c/o GHG Solutions Ltd,

Office address:
MRSL Commercial c/o GHG Solutions Ltd
Barclay's House
20-24 Upper Market Street
Eastleigh
SO50 9FD

Email: MRSL.Commercial@ghgsolutions.co.uk

Telephone: 02380 623 067

It will assist if **You** have details of **Your** policy available when telephoning.

How to make a complaint

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

If **you** have any questions or concerns about **your** policy or the handling of a claim **you** should, in the first instance, contact **your broker**.

If **you** wish to make a complaint, **you** can do so at any time by referring the matter to **your broker** or the complaints team at Lloyd's. Making a complaint does not affect any of **your** legal rights. The contact details for **your broker** are shown on **your schedule**. The contact details for Lloyd's are:

Post:	Complaints, Lloyd's, Fidentia House, Walter Burke Way, Chatham Maritime, Chatham, Kent, ME4 4RN
Telephone:	+44 (0) 20 7327 5693
Fax:	+44 (0) 20 7327 5225
Email:	complaints@lloyds.com
Website:	www.lloyds.com/complaints

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint - How We Can Help" available at www.lloyds.com/complaints and are also available from the above address.

If **you** remain dissatisfied after Lloyd's has considered **your** complaint, **you** may have the right to refer **your** complaint to the Financial Ombudsman Service (FOS). The contact details for the FOS are:

Post:	The Financial Ombudsman Service, Exchange Tower, London, E14 9SR
Telephone:	0800 023 4567 (calls to this number are free from "fixed lines" in the UK); or 0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)
Email:	complaint.info@financial-ombudsman.org.uk

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. The FOS will only consider your complaint if you are a private individual or a "micro enterprise". A "micro-enterprise" is defined as a business with an annual turnover not exceeding €2million and fewer than ten staff. **You** can find more information on the FOS at www.financial-ombudsman.org.uk.