

PROPERTY OWNERS POLICY

Allied World

Allied World Assurance Company (Europe) dac is authorised and regulated by the Central Bank of Ireland. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. Registered as a designated activity company (limited by shares) with the Companies Registration Office in the Republic of Ireland with registration no. 361888. Head office: 3rd Floor, George's Quay Plaza, George's Quay, Dublin 2 Ireland.

Other Insurers

Where insurance under this **Policy** is provided by an insurer other than Allied World Assurance Company (Europe) dac the details of that insurer's company registration, authorisation and regulation will be stated in the **Schedule**.

Notices

Any notices to the **Insurer** or the **Insured** must be sent in writing to the relevant address shown in the **Schedule**.

Interpretation

This document, the **Schedule** and any **Endorsements**, memoranda or specifications are to be read together as one contract. Any word with a defined meaning appears in **bold print** and its definition can be found either within the **Section** or **Endorsements** containing that word or in the General Definitions.

References to the singular include the plural and vice versa. The masculine includes the feminine and vice versa. A statute, statutory instrument, regulation or order includes any amendment or re-enactment of that statute, statutory instrument, regulation or order.

Observance

The **Insured** and any other persons indemnified by the **Insurer** under this **Policy** must observe the terms of the **Policy** and, to the extent that they relate to anything to be done or complied with, such observance is a condition precedent to the **Insurer's** liability to indemnify under the relevant **Section** of the **Policy**.

Complaints Procedure

Allied World Assurance Company (Europe) dac is dedicated to providing all **Insureds** with excellent service and is committed to handling any complaint fairly and promptly. If an **Insured** is dissatisfied in any way with this insurance, please contact either the intermediary that arranged this insurance or the Allied World Complaints Department at the following address:

Allied World Assurance Company (Europe) dac
19th Floor
20 Fenchurch Street
London
EC3M 3BY
Tel: 020 7220 0600
Email: awe.complaints@awac.com

Financial Ombudsman Services

If in the opinion of the **Insured** the complaint has not been satisfactorily handled, in certain circumstances it may be possible to refer the complaint to the Financial Ombudsman Service. Contact details for the Financial Ombudsman Service are set out below:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR
Telephone: 0800 023 4567
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Financial Services Compensation Scheme

Allied World Assurance Company (Europe) plc is covered by the Financial Services Compensation Scheme. This means that in the unlikely event that the company cannot meet its obligations under this **Policy**, the **Insured** may be entitled, depending on the type of insurance, size of the **Insured's** business and the circumstances of the claim against this **Policy**, to compensation under the scheme.

Data Protection

The **Insurer** is committed to compliance with the E.U. or U.K., as applicable, General Data Protection Regulation and any applicable implementing or supplementing laws, rules or regulations, and as each may be updated, amended or superseded from time to time. The **Insurer** may collect, use, store, disclose and otherwise process personal data for purposes such as assessing risk and providing insurance, administering a policy and assessing and managing claims. Personal data may be obtained by the **Insurer** directly from the **Insured** or via a third party such as an insurance intermediary. If such personal data is not provided, the **Insurer** may not be able to provide insurance, administer the policy, process a claim or make payments.

The **Insurer's** personal data privacy policy statement contains information on the types of personal data the **Insurer** collects; from where it collects such personal data; the purposes and lawful bases for why it collects such personal data; to whom it discloses or transfers such personal data, such as to related parties or third parties (including outside of the European Economic Area or U.K., as applicable) to, among other things, provide services associated with this **Policy** or to verify information or prevent or detect fraud; and the retention of such personal data. It also contains information on how the **Insured** can exercise its rights, including, under certain circumstances, a right to access the personal data the **Insurer** holds about the **Insured**, to seek rectification or erasure of such data, to restrict or object to the processing of such data, to data portability, to lodge a complaint, or, where processing is based on consent, the right to withdraw consent.

Please see the **Insurer's** personal data privacy policy statement for further information in accordance with applicable laws at <https://www.alliedworldinsurance.com/europe-uk>. A copy may also be requested from, or any personal data privacy queries directed to, dataprotection@awac.com.

PROPERTY OWNERS POLICY

This **Policy** is designed to provide property and liability covers for businesses and commercial enterprises. Please read this **Policy** together with the **Schedule** to ensure that it meets with the **Insured's** requirements.

This **Policy** only provides insurance in respect of the *Sections* shown as operative in the **Schedule**.

Contents

Important Information	4
General Definitions	5
General Conditions.....	10
General Exclusions	14
Property Insurance	16
Perils Applicable.....	16
Property insurance – Conditions.....	19
Property Insurance – Exclusions	20
Material Damage Section.....	23
Business Interruption Section	37
Estimated Rent Receivable Basis of Cover	39
Terrorism Section.....	48
Specified Items All Risks Section	52
General Liability Insurance.....	53
General Liability – Extensions	53
General Liability – Definitions	55
General Liability – Conditions	56
General Liability – Exclusions	57
Employers Liability Section	59
Public Liability Section	62
Commercial Legal Protection Section	69

Important Information

Commercial Legal Protection Section

Where operative, the insurance provided under the *Commercial Legal Protection Section* is underwritten by the **Insurer** named in the **Schedule**. Please refer to the Claims Information section of the **Schedule** for relevant contact details and other important information.

General Definitions

Applicable to all *Sections* other than the *Commercial Legal Protection Section*

The words defined below will have the same meaning wherever they appear in bold letters within the **Policy**, the **Schedule** and **Endorsements**:

Buildings means buildings at the **Premises** and including:

1. **Fixtures and Fittings**;
2. Outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture;
3. Walls, gates and fences;
4. Drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the **Premises** and extending to the public mains but only to the extent of the **Insured's** responsibility;
5. Yards, car parks, roads, pavements, forecourts, all constructed of solid materials;
6. Windows, fanlights, rooflights, skylights and glazing;
7. Swimming pools, squash and tennis courts and gymnasias

the property of the **Insured** or for which the **Insured** is responsible.

Business means as described in the **Schedule** and will include:

1. The ownership, repair and maintenance of the **Insured's** own property;
2. The provision and management of canteen, social sports and welfare activities for the benefit of the **Insured** or **Employees**;
3. The provision and management of first aid, fire, security, and ambulance services; and
4. The performance of private duties carried out by **Employees** with the written consent of the **Insured** for any director, partner, or senior official of the **Insured**.

Contents means the furniture, furnishings, and items of a similar nature at the **Premises** not exceeding £10,000 per any single item, including so far as they are not otherwise insured **Employees'**, directors' and visitors' personal effects of every description (other than motor vehicles) for an amount not exceeding £500 in respect of any one person but excluding:

1. **Buildings, Stock, Stock In The Open, Target Stock, Office Computer Equipment, and Portable Power Tools**;
2. **Money** except for an amount not exceeding £1,000 in total;
3. Documents, manuscripts and business books except for the cost of the materials and of clerical labour expended in reproducing such records;
4. Computer systems records except for an amount not exceeding £10,000 in respect of the cost of the materials and of clerical labour and computer time expended in reproducing such records;
5. Any expense in connection with the production of the information to be recorded in documents, manuscripts, business books or computer systems records; and
6. Vehicles licensed for road use including accessories thereon,

the property of the **Insured** or for which the **Insured** is responsible.

Damage means sudden, accidental and direct physical loss, destruction or damage.

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

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or computer or other equipment or system which processes, stores, transmits or receives **Data** and 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, and the procurement of such actions or instructions by other computers, equipment or system.

Employee means:

1. Any person who has a contract of service or apprenticeship with the **Insured**;
2. Whilst working for the **Insured** in the course of the **Business**:
 - a. any labour masters or labour-only sub-contractor or person supplied by any of them;
 - b. any self-employed person;
 - c. any person under a contract of service or apprenticeship with another employer and who is hired to or borrowed by the **Insured**;
 - d. a prospective employee who is undergoing practical work experience or any person participating in any Government or otherwise authorised work experience, training, study exchange or similar scheme;
 - e. any person who is an outworker or home worker; and
 - f. any person who is a voluntary helper.

Endorsement means an additional contractual term of this **Policy** agreed in writing between the **Insurer** and the **Insured** and incorporated by reference in the **Schedule**.

Excess means the first amount for which the **Insured** is responsible as specified in the **Schedule**.

Fixtures and Fittings means items that:

1. Are attached to the buildings at the **Premises** such that they cannot be removed without causing significant damage to the buildings or to the item itself that would be uneconomical to repair; and
2. Were installed either by or with the prior permission of the **Insured** on the basis that such items will remain at the **Premises** as the property of the **Insured** after the lessee has vacated the **Premises**.

Goods means goods belonging to the **Insured** or for which the **Insured** is responsible all pertaining to the **Business**.

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data.

Injury means accidental: death; bodily injury, illness or disease; any psychiatric injury that results from accidental bodily injury, illness or disease.

In Transit means being carried from the time the **Goods** are lifted to the time they are unloaded at their destination including:

1. Loading and unloading;
2. The use of recognised 'roll-on roll-off' vehicle ferries provided no unloading or re-loading of the **Vehicle** is involved; and
3. Whilst temporarily housed on or off the **Vehicle** in the course of the said carriage but excluding any dismantling, installation, erection or testing.

Insured means the person or person or corporate body named in the **Schedule**.

Insurer means the entity named as "Insurer" in the **Schedule**. Where any *Section* of this **Policy** is provided by more than one insurer as listed in the **Schedule**, use of "the **Insurer**" in the singular refers to all subscribing insurers of that *Section*.

Limit of Indemnity means the applicable limit, including any sub-limit or inner-limit, of the **Insurer's** maximum liability for any relevant claim under the **Policy**, as shown in the **Schedule** or stated in this document.

Limit of Liability means the applicable limit, including any sub-limit or inner-limit, of the **Insurer's** maximum liability for any relevant claim under the **Policy**, as shown in the **Schedule** or stated in this document.

Machinery Breakdown means unforeseen, sudden, accidental and direct physical loss or destruction of, or physical damage to, any machinery or plant belonging to the **Insured** or held in trust and for which the **Insured** is responsible at the **Premises**, while in ordinary use caused by:

1. Actual failure, breaking, distortion or burning out of any part of the machinery or plant arising from:
 - a. mechanical or electrical defects in the machinery or plant; or
 - b. failure or fluctuation of power supply; or
 - c. operator error or omission other than failure to maintain; or
2. Fracturing of any part of the machinery or plant by frost which renders the item inoperative.

Machinery Breakdown also includes the resultant loss of coolant, lubricant, insulant, refrigerant or brine.

Money means coin, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, crossed warrants, bills of exchange, securities for money, postage revenue, national insurance and holiday with pay stamps, stamped national insurance and holiday with pay cards, national savings stamps or certificates, war bonds, premium savings bonds, franking machine impressions other than unused units in postage stamp franking machines, credit company sales vouchers, luncheon vouchers, trading stamps and VAT invoices, phone cards, which is the property of the **Insured** or for which the **Insured** is responsible in the course of the **Business**.

Office Computer Equipment means office computer equipment at the **Premises** the property of the **Insured** or held by the **Insured** on trust for which the **Insured** is responsible including media and peripherals used in connection with such equipment.

Offshore means from the moment in time that an **Employee** embarks onto any conveyance at the point of final departure on land to any offshore installation until the moment in time that an **Employee** disembarks from any conveyance onto land upon their return from any offshore installation or associated structure. For the purposes of this **Policy**, 'offshore installation' and 'associated structure' have the meanings given in the Offshore Installations and Pipeline Works (Management and Administration) Regulations 1995.

Perils means the operative perils specified in the **Schedule**, as more fully detailed within the Property Insurance part of this **Policy**.

Period of Insurance means the period stated in the **Schedule**.

Personal Effects means personal belongings of the **Insured's** drivers or attendants, excluding **Money**, credit cards, car audio equipment, televisions or jewellery.

Phishing means any access or attempted access to **Data** or information made by means of misrepresentation or deception.

Policy means this insurance policy wording document, the **Schedule** and any **Endorsements**, memoranda or specifications relating to this policy.

Pollution or Contamination means:

1. All pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
2. All loss or damage or injury direct or indirectly caused by such pollution or contamination.

Portable Power Tools means portable power tools at the **Premises** for use solely by the **Insured**, the property of the **Insured** or held in by the **Insured** in trust, for which the **Insured** is responsible.

Premises means the premises declared to and accepted by the **Insurer** that are used by the **Insured** for the purpose of the **Business** and stated in the **Schedule**.

Premium means the amount stated in the **Schedule**, payable by the **Insured** to the **Insurer**.

Property Insured means the relevant property described in the **Schedule**.

Rent means **Rent Payable** or **Rent Receivable**.

Rent Payable means periodic payments made by the **Insured** for the lease of **Premises** not belonging to the **Insured**.

Rent Receivable shall mean the amount of rent received or receivable from, and payments for services provided in respect of, the letting of the **Premises**.

If the **Premises** are untenantated the amount payable by the **Insurer** will be calculated by reference to:

1. The amounts to be paid or payable for the **Buildings** as evidenced by leases or negotiations;
2. If there are no concluded leases or other evidence of negotiations, the estimate will be based on rent paid or payable for similar property in the same locality as the **Premises**. Such estimate will be determined by a competent professional valuer acceptable to both the **Insured** and **Insurer**.

Schedule means the schedule attached to this document that forms part of this **Policy**.

Stock means the stock and materials used in trade excluding **Target Stock** and **Stock In The Open**, at the **Premises** described in the **Schedule**, the property of the **Insured** or held by the **Insured** in trust for which the **Insured** is responsible.

Stock In The Open means stock and materials in trade stored in the open at the **Premises** described in the **Schedule** excluding **Target Stock** the property of the **Insured** or held by the **Insured** in trust for which the **Insured** is responsible.

Sum Insured means the relevant sum as specified in the **Schedule**.

Target Stock means stock and materials in trade at the **Premises** described in the **Schedule** comprising cigarettes, cigars and tobacco, audio visual equipment, computer equipment, computer games, mobile phones and radios, photographic equipment and binoculars, non-ferrous metals, jewellery (including precious metals and stones), wines, fortified wines and spirits.

Tenants Improvements means tenants improvements and alterations to the **Premises**.

Territorial Limits means anywhere in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

Terrorism means any action, threat of action, or attempt at action, by any individual or group of individuals or body or organisation, whether acting alone, on behalf of, or in concert with any other body, organisation, or government, where such action, threat, or attempt is designed to influence, intimidate, or coerce, any government or international governmental organisation or the population or any section of the population, or any community, and the action, threat, or attempt, is made for the purpose of advancing a political, religious, or ideological cause.

Unoccupied means empty, disused, unfurnished or no longer in active use by the **Insured** or any of the **Insured's** tenants.

Vehicle means a mechanically driven conveyance including trailers whether attached or temporarily detached from such vehicle whilst in transit.

Virus or Similar Mechanism means programme code programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, or otherwise adversely affect, infiltrate or monitor, computer programmes, **Data** files or operations whether involving self-replication or not, including but not limited to Trojan horses, worms and logic bombs, and the exploitation of bugs or vulnerabilities in a computer programme to damage, interfere with, adversely affect, infiltrate or monitor as above.

General Conditions

Applicable to all *Sections* unless otherwise stated

Alteration in Material Facts (not applicable to Property Insurance)

After commencement of the **Policy** the **Insured** must give immediate notice to the **Insurer** of any alteration of fact or circumstance that materially alters the risk insured under this **Policy** including but not limited to any material change in the nature of or cessation of the **Business**; until the **Insurer** is advised of that alteration or circumstance and has expressly agreed in writing to accept liability for that altered risk, and the **Insured** has paid or agreed to pay the additional **Premium** (if any), the **Insurer** will not be liable to indemnify the **Insured** in respect of any loss due wholly or partially to that alteration or circumstance.

Arbitration

In the event of a dispute arising out of:

1. The interpretation of the **Policy**, including any question regarding compliance with its terms, its existence, validity or termination; or
2. The quantification of any amount payable under the **Policy**

the dispute will be referred to an arbitrator, who will be appointed by the parties in accordance with the LCIA Arbitration Rules and the making of an award will be a condition precedent to any right of action against the **Insurer**.

Assignment

This **Policy** and any rights under it cannot be assigned without the prior written consent of the **Insurer**.

Authorisation

The **Insured** will act on behalf of any person forming part of the **Insured** for:

1. Notification of any claim, loss, or circumstance;
2. Any other notifications required under this **Policy**;
3. Payment of **Premium**, including additional **Premium**, or the receipt of returned **Premium**;
4. Negotiation and agreement of any **Endorsement** to this **Policy**; and
5. Requests, and any subsequent agreement, of any extended notification period.

Cancellation

The **Insurer** or the **Insured** can terminate this **Policy** during the **Period of Insurance** by providing 14 days of notice, in writing. On termination, the **Insured** will be entitled to a pro-rata return of the **Premium** for the remaining days of the **Period of Insurance**, subject to the application of the Premium Payment Condition and the Premium Adjustment and Audit Condition. A minimum retention of 15% of the **Premium** applies in the event of cancellation by either the **Insured** or the **Insurer**. However, if any claim under the **Policy** has been paid or is pending (including the reporting of any claims, circumstances, incidents or losses) then no **Premium** will be returned.

If the **Policy** is cancelled before the **Premium** or additional **Premium** is received by the **Insurer** in accordance with the Premium Payment Condition and:

1. The **Premium** is not received by the **Insurer**, then the **Policy** will be treated as if it had never existed;

- Any additional **Premium** is not received, then the amendment to the **Policy** will not be effective.

Coinurance

Where this **Policy** is provided by the **Insurer** and co-insurers, as named in the **Schedule** (and notwithstanding the use of 'the **Insurer**' in this **Policy**), the legal obligations of each insurer are several and not joint and are limited solely to the extent of that insurer's proportion of risk as shown in the **Schedule**.

Excess (not applicable to Employers' Liability Section)

The cover provided under each *Section* of the **Policy** will be subject to the **Excess** for which the **Insured**, and not the **Insurer**, is liable. The **Insurer** may pay all or part of the **Excess** in respect of the settlement of any claim under this **Policy** and seek reimbursement from the **Insured**. If it does so, the amount of **Excess** paid by the **Insurer** must be reimbursed by the **Insured** at the **Insurer's** request.

Fraudulent Claims

If under this **Policy** an **Insured** or anyone acting for an **Insured**:

- Knowingly makes a fraudulent or an exaggerated claim under this **Policy**; or
- Knowingly makes a false statement in support of a claim under this **Policy** or submits false or forged documents in support of such claim; or
- Makes a claim under this **Policy** caused by or in connection with the **Insured's** wilful misconduct or caused or in connection with the **Insured's** agreement, knowledge or collusion; or
- Otherwise knowingly provides untrue or misleading information to the **Insurer** or those acting for the **Insurer**, whether or not such information is material to the **Insured's** right to recover under this **Policy**

the **Insurer** will refuse to pay such claim or any other claim under this **Policy** thereafter and will terminate this **Policy** without any refund of **Premium**.

Law and Jurisdiction

Any dispute concerning the interpretation or application of the **Policy** is to be subject to, and will be construed in accordance with, the law of England and Wales; the parties further agree, subject first to the Arbitration Condition, to submit to the exclusive jurisdiction of any competent court within England and Wales and to comply with all requirements necessary to give that court jurisdiction.

Legal Representatives

In the event of the death of the **Insured** the **Insurer** will indemnify the **Insured's** estate, heirs or legal personal representatives in respect of liability previously incurred by that **Insured** that they would otherwise have been entitled to an indemnity under the **Policy**, provided that the estate, heirs or legal personal representatives observe, fulfil and be subject to the terms, conditions and limitations of the **Policy** in so far as they can apply.

Multiple Insureds

If the **Schedule** specifies more than one entity as comprising the **Insured**, the **Insurer's** liability under this **Policy** will not be increased if there is more than one **Insured**. Any provision relating to **Policy** limits will apply on the basis that there is a single **Insured**. This means that the **Sum Insured**, **Limit of Liability** or **Limit of Indemnity** or any applicable sub-limit will not increase from that shown in the **Schedule** or in the **Policy** wording for any *Section* or other provision.

Other Insurance

If any:

1. **Damage to Property Insured**; or
2. Business interruption or interference, increased costs of working or loss of rent; or
3. Legal costs and expenses or liabilities to third parties,

covered by this **Policy** is also covered in whole or in part by any other insurance (or would be so covered save for the existence of this **Policy**) then:

- a. In respect of **Damage to Property Insured**, the liability of the **Insurer** under this **Policy** will be limited to their rateable proportion of that **Damage**. If that other insurance is subject to any condition of Average, this **Policy** if not already subject to any such condition of Average, will be subject to Average in like manner. If that other insurance is subject to any provision that prevents it from ranking concurrently with this **Policy**, either in whole or in part, or from contributing a rateable proportion, the liability of the **Insurer** under this **Policy** will be limited to that proportion of the **Damage** which the **Sum Insured** under this **Policy** bears to the value of the **Property Insured**;
- b. In respect of business interruption or interference, increased costs of working or loss of rent the liability of the **Insurer** under this **Policy** will be limited to their rateable proportion of such loss;
- c. In respect of legal costs and expenses or liabilities to third parties, the **Insurer's** liability will apply in excess of and not in contribution with that other insurance.

Notification

*Sections of the **Policy** contain terms relating to the **Insured's** obligation to notify the **Insurer** of matters for which the **Insured** may wish to seek an indemnity for under that *Section*. The **Insured** is required to carefully read and comply with such terms as appropriate; some of these have the force and effect of conditions precedent which means that any failure to comply with them may affect the **Insured's** entitlement to indemnity under the **Policy**.*

Premium Adjustment and Audit

Where any part of the **Premium** is based on estimates furnished by the **Insured**, the **Insured** must:

1. Keep an accurate record containing all relevant particulars;
2. Allow the **Insurer** to inspect those records;
3. Supply those records as the **Insurer** may require within 30 days from the expiry of the **Period of Insurance**;
4. Supply an auditor's certificate in support of those records if so requested by the **Insurer**.

Based on those records, the **Premium** will be adjusted by the **Insurer**, subject to any minimum that may apply. If the **Insured** fails to supply the records within the period stated above, the **Insurer** reserves the right to make an estimate of the records and adjust the **Premium** accordingly.

Premium Payment

There is no cover under this **Policy** unless the **Insurer** receives the **Premium** within ninety (90) days of **Policy** inception.

Any agreed changes to this **Policy** are not effective unless the **Insurer** receives any applicable additional **Premium** within ninety (90) days of the **Insurer's** notification to the **Insured** that such additional **Premium** is required. In default:

1. For increases in **Limits of Liability** or **Sums Insured**: The **Insurer** may not avoid the cover provided by this **Policy** entirely; but the **Policy's** underinsurance provisions will apply on the basis that there has been no increase in **Limits of Liability** or **Sums Insured**;
2. For premises added to the **Policy**: The **Insurer** may not avoid the cover provided by this **Policy** entirely, but no cover will exist for any location for which such additional **Premium** has not been paid.

For any other changes to the **Policy**, the changes will not be effective.

Reasonable Precautions

The **Insurer's** liability to indemnify will only arise if the **Insured**:

1. Takes all reasonable precautions to avoid or diminish any liability or loss which may give rise to or has given rise to a claim under this **Policy**;
2. Takes all reasonable precautions to prevent accidents or any activity that might give rise to a liability to a third party;
3. Takes all reasonable steps to comply with all applicable national or local laws, requirements and regulations; and
4. Exercises due care in the selection and supervision of **Employees**.

Renewal

This **Policy** or any *Section* of it will not automatically renew and unless an offer to renew is accepted, this **Policy** or any relevant *Section* will expire at the end of the **Period of Insurance** without notice.

Rights of Third Parties

Other than where expressly provided for within the **Policy**, a person or company who is not a party to this **Policy** has no right under the Contracts (Rights of Third Parties) Act 1999 or any subsequent legislation or amendment to enforce any term of this **Policy** but this does not affect any right or remedy of a third party which exists apart from that Act.

Severability

In the event that any portion or *Section* of the **Policy** is found to be invalid or unenforceable, the remainder will remain in full force and effect.

Statutory Regulations

The **Insurer's** liability to pay any claim under this **Policy** relating to any pressure vessel or other machinery or apparatus (or its contents) belonging to or under the control of the **Insured**, which requires inspection or test under any statute or order or regulation, will not accrue unless that pressure vessel or other machinery or apparatus vessel, has been appropriately and satisfactorily inspected or tested and the **Insured** can demonstrate that it has implemented any actions thereby required.

Subrogation

Any claimant under this **Policy** must at the request and at the expense of the **Insurer** do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the **Insurer** for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the **Insurer** is, or would become, entitled or subrogated upon its paying for or making good any loss under this **Policy** whether such acts and things are or become necessary or required before or after his indemnification by the **Insurer**.

General Exclusions

Not applicable to *Terrorism Section*

Applicable to all other *Sections* unless stated otherwise

Fines and Penalties

This **Policy** excludes any liability for taxes, fines or penalties, punitive, aggravated, multiple, liquidated, exemplary or other non-compensatory damages or the consequences of non-payment or any additional damages under Section 97(2) of the Copyright, Design and Patents Act 1988 or any statutory successor to that section or any claim for indemnity deemed uninsurable by law.

Northern Ireland Civil Commotion

This **Policy** excludes, in respect of Northern Ireland:

1. **Damage** occasioned by or happening through or in consequence directly or indirectly of riot or civil commotion;
2. **Damage** occasioned by or happening through or in consequence directly or indirectly of strikers, locked out workers or persons taking part in labour disturbances or malicious persons save for **Damage** by fire or explosion.

Radioactive and Nuclear Hazards

This **Policy** does not cover:

1. **Damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss; or
2. Any liability of whatsoever nature,

in either case, directly or indirectly caused by or contributed to by or arising from:

- i) ionising radiations or contamination by radioactivity from nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; or
- ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

but as far as concerns **Injury** to any **Employee** which arises out of and in the course of his employment or engagement by the **Insured** this exception will apply only in respect of:

1. Liability of any principal;
2. Liability assumed by the **Insured** by agreement and which would not have attached in the absence of such agreement.

Sanctions

The **Insurer** shall not be deemed to provide cover nor 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.

Terrorism (Not applicable to Employers' Liability Section)

This **Policy** excludes **Damage**, liability, costs or expense of whatsoever nature directly or indirectly caused by, resulting from or connected with:

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

If the **Insurer** alleges that by reason of this exclusion any **Damage** cost or expense is not covered by this **Policy** the burden of proving the contrary will be upon the **Insured**. In the event that any portion of this exclusion is found to be invalid or unenforceable the remainder will remain in full force and effect.

War and Civil War

This **Policy** does not cover **Damage** or legal liability directly or indirectly occasioned by happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or **Damage** to property by or under the order of any government or public or local authority.

Property Insurance

PERILS APPLICABLE

The following **Perils** are only applicable if indicated in the **Schedule** to be operative:

1. Fire:
 - a. Fire but excluding **Damage** caused by;
 - i) explosion resulting from fire; or
 - ii) earthquake or subterranean fire;
 - b. Lightning;
 - c. Explosion of gas or boilers used for domestic purposes only;
 - d. In respect of the *Business Interruption Section* (if operative) explosion of any boilers or economisers on the **Premises**.

2. Theft:

Theft or attempted theft or robbery or attempted robbery committed on or at the **Premises** including any directly resulting **Damage** at the **Premises** falling to be borne by the **Insured** but excluding any **Damage** contributed to or caused by any person lawfully on the **Premises** other than by tenants;

3. Explosion;

4. Aircraft:

Aircraft or other aerial devices or articles dropped therefrom.

5. Riot and Malicious Persons:

Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons excluding **Damage**:

- a. arising from confiscation, requisition or destruction by order of the government or any public authority;
- b. arising from cessation of work;
- c. caused by theft or attempted theft by malicious persons not acting on behalf of or in connection with any political organization;

6. Earthquake;

7. Subterranean Fire;

8. Storm and Flood:

Storm or flood excluding **Damage**:

- a. attributable solely to a change in the water table level;
- b. caused by frost, subsidence, ground heave or landslide;
- c. to any fences, gates, or other **Property Insured** in the open;

9. Escape of Water:

Escape of water from any tank apparatus or pipe excluding **Damage** caused by water discharged or leaking from any automatic sprinkler installation;

10. Impact:

Impact by any mechanically propelled vehicle or by articles falling therefrom;

11. Subsidence:

Subsidence or ground heave or landslip excluding **Damage**:

- a. to yards, forecourts, car parks, roads, pavements, walls, gates and fences and in respect of blocks of flats and private dwellings only, outdoor swimming pools, tennis courts, patios, paved terraces, paths, drives, unless also affecting a building insured hereby;
- b. caused by or consisting of:
 - i) the normal settlement or bedding down of new structures;
 - ii) the settlement or movement of made-up ground;
 - iii) coastal or river erosion;
 - iv) defective design or workmanship or the use of defective materials;
 - v) fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe.
- c. resulting from:
 - i) **Damage** which originated prior to the inception of this cover;
 - ii) Demolition, construction, structural alteration or repair of any property;
 - iii) groundworks or excavation at the same **Premises**;

12. Accidental Damage:

Damage excluding:

- a. **Damage** by:
 - i) any of the **Perils** (1) to (11) inclusive and (13);
 - ii) any of the causes expressly excluded from such **Perils**;
- b. **Damage** caused by:
 - i) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels of any range of steam and feed piping;
 - ii) **Machinery Breakdown** in respect of the particular machinery or plant in which such breakdown originates

but this will not exclude:

- 1) such **Damage** which itself results from other **Damage** and is not otherwise excluded;
- 2) subsequent **Damage** which itself results from a cause not otherwise excluded;

- c. **Damage** caused by:
 - i) **Pollution or Contamination;**
 - ii) acts of fraud or dishonesty;
 - iii) disappearance unexplained or inventory shortage misfiling or misplacing of information;
- d. **Damage** to:
 - i) fences, gates, or other **Property Insured** in the open by wind, rain, hail, sleet, snow, flood or dust;
 - ii) **Property Insured** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair;
 - iii) **Property Insured** in transit;
 - iv) **Money** and securities of any description;
 - v) vehicles licensed for road use (including accessories thereon) caravans, trailers, railway locomotives, rolling stock or aircraft;
 - vi) **Property Insured** or structures in the course of construction or erection and materials or supplies in connection with all such property in the course of construction or erection;
- e. loss by delay loss of market consequential loss of any and every description other than provided under the *Business Interruption Section*;

13. Sprinkler Leakage:

Accidental escape of water from any automatic sprinkler installation in the **Premises** excluding **Damage** caused by explosion, earthquake, subterranean fire or heat caused by fire.

PROPERTY INSURANCE – CONDITIONS

Alteration in Material Facts

This **Policy** will be terminated by the **Insurer** with respect to any of the **Property Insured** regarding which there is any alteration after the commencement of the **Period of Insurance**:

1. By removal; or
2. Whereby the interest of the **Insured** ceases except by will or operation of law; or
3. Whereby the risk of **Damage** is increased providing that if the increase could not reasonably have been known to the **Insured** or the increase is beyond its control this **Policy** will continue, subject to the **Insured**:
 - a. notifying the **Insurer** of the increase of risk within fourteen (14) days of the **Insured** becoming aware of the increase; and
 - b. the **Insured** will pay additional **Premiums** promptly to the **Insurer**, such amount to be calculated at the **Insurer's** discretion unless otherwise agreed by the **Insurer** in writing, but excepting that workmen are allowed in and about the **Premises** for the purpose of carrying out minor alteration, decoration, repairs, general maintenance or the like.

Unless otherwise agreed by the **Insurer** in writing.

Claims Procedures

The following are conditions precedent to the **Insurer's** liability under every *Property Insurance Section*:

1. In the event of **Damage** in respect of which a claim is or may be made under this **Policy** (including, without limitation, where a claim may fall within any **Excess** under the **Policy**) the **Insured** must:
 - a. notify the **Insurer** as soon as reasonably practicable but, in any event, within twenty eight (28) days of occurrence of such **Damage**; and
 - b. notify the police immediately if it becomes evident that any **Damage** has been caused by malicious persons or thieves; and
 - c. carry out and permit to be taken any action which may be reasonably practicable to prevent further **Damage**; and
 - d. deliver to the **Insurer** at the **Insured's** expense and within thirty (30) days after such **Damage** (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 such further time as the **Insurer** may allow:
 - i) full information in writing of the **Damage**; and
 - ii) details of any other insurance on any property hereby insured; and
 - iii) all such proofs and information relating to the claim as may reasonably be required; and
 - iv) if demanded, a statutory declaration of the truth of the claim and of any matters connected with it.

Electrical Maintenance

It is a condition precedent to liability for **Damage** that all electrical circuits are tested at least once every five years by qualified Electrical Engineers and that any defects found are remedied immediately in accordance with the relevant electrical regulations and best practices of the Institution of Engineering and Technology, its certificate confirming the same to be issued to, and retained by, the **Insured** at all times throughout the **Period of Insurance**.

Property Maintenance

It is a condition precedent to liability that:

1. The **Buildings** including any guttering downpipes and any flat roof must be inspected at least once every six (6) months by the **Insured** or its agent to ensure that the **Buildings** remain in good state of repair and any defect identified by that inspection be rectified immediately; and
2. A record of all inspections must be made and retained by the **Insured**.

Reasonable Precautions

The **Insurer's** liability to indemnify under any *Property Insurance Section* will only arise if the **Insured** takes all reasonable precautions to prevent **Damage** to the **Property Insured**, including:

1. Carrying out appropriate maintenance and repair of all **Premises, Buildings, Contents**, plant, works, and machinery; and
2. Remedying or making good any defect or hazard that might become manifest in any **Premises, Buildings, Contents**, plant, works or machinery;
3. Exercising due care in the selection and supervision of **Employees**;
4. Taking all reasonable precautions for the safeguarding and protection of the **Property Insured**;
5. Maintaining in good order all vehicles operated and all locking and other protective devices.

PROPERTY INSURANCE – EXCLUSIONS

Applicable to every *Property Insurance Section* unless otherwise indicated

Except to the extent provided in the *Terrorism Section*, if operative, no *Section* covers:

Asbestos

Damage or loss arising out of:

1. Asbestos material removal unless the asbestos is itself damaged by **Damage** insured by this **Policy**;
2. Demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any legislation, regulation, ordinance or bye-laws regulating asbestos material; or
3. Any direction or request by any competent public local or government authority declaring that asbestos material present in or part of or used on any undamaged portion of property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.

Electronic Risk

1. **Damage** to any computer or other equipment or component or system or item which processes, stores, transmits, retrieves or receives data, or any part thereof, whether tangible or intangible, including, but without limitation, any information or programs or software and whether the property is insured or not where such **Damage** is caused by **Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack**;
2. Loss resulting from interruption of or interference with the **Business** directly or indirectly caused by or arising from **Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack**,

but this will not exclude subsequent **Damage** or loss resulting from interruption of or interference with the **Business**, which results from a **Peril** hereby insured but excluding the acts of malicious persons which do not involve physical force or violence.

Miscellaneous

Damage or loss caused by or consisting of:

1. Inherent vice, latent defect, gradual deterioration, wear and tear or frost in the **Property Insured**; or
2. Faulty or defective design, materials, workmanship or construction in the **Property Insured**; or
3. Change in water table level; or
4. Faulty or defective workmanship, operational error or omission, on the part of the **Insured** or any of its employees or connected with the correction of defects in design or content of any computer records or programme and any costs and expenses associated therewith; or
5. Corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects; or
6. Change in temperature, colour, flavour, texture or finish; or
7. Collapse or cracking of a building or structure; or
8. The bursting by steam pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured** other than:
 - a. a boiler used for domestic purposes only; or
 - b. in respect of the *Business Interruption Section*, any boiler or economiser on the **Premises**

but no *Section* covers subsequent **Damage** or loss that itself results from a cause not otherwise excluded.

Damage or loss consisting of:

1. Joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters and pressure vessels of any range of steam and feed piping in connection with them;
2. Mechanical or electrical breakdown or derangement, including short-circuiting, of the particular machine, apparatus or equipment in which that breakdown or derangement originates

but does cover:

- a. this **Damage** or loss when resulting from a cause not otherwise excluded; or
- b. subsequent **Damage** or loss that itself results from a cause not otherwise excluded.

Damage or loss caused by or arising from impact to any property by any waterborne vessel or craft.

Property which at the time of **Damage** is insured, or would but for the existence of this **Policy** be insured, by any marine policy.

Damage to overhead transmission and distribution lines and ancillary or supporting structures owned by the **Insured** or for which the **Insured** is responsible more than five hundred (500) feet from any **Premises** or loss arising out of that **Damage**.

Damage or loss arising directly or indirectly from cultivation of drugs at the **Premises** except solely to the limited extent provided by the Illegal Cultivation of Drugs Extension in the *Material Damage Section*.

Pollution or Contamination

1. **Damage** caused by **Pollution or Contamination** but this shall not exclude destruction of or **Damage** to the **Property Insured** not otherwise excluded caused by:

- a. **Pollution or Contamination** which itself results from a **Peril** hereby insured against;
 - b. any **Peril** hereby insured against which itself results from **Pollution or Contamination**;
2. Loss resulting from **Pollution or Contamination** but this will not exclude loss resulting from property used by the **Insured** at the **Premises** for the purpose of the **Business** being lost, destroyed or damaged by:
- a. **Pollution or Contamination**, which itself results from a **Peril** hereby insured against;
 - b. any **Peril** hereby insured against, which itself results from **Pollution or Contamination**.

Rent

Any insurance on **Rent Receivable** and **Rent Payable** applies only if (any of) the said building or any part thereof is unfit for occupation in consequence of its **Damage** by a **Peril** insured under this **Policy** and then the amount payable will not exceed such proportion of the **Sum Insured** on such **Rent Receivable** and **Rent Payable** as the period necessary for reinstatement bears to the term of the insured **Rent Receivable** and **Rent Payable**.

Sonic Bangs

Damage directly caused by, or loss resulting from, pressure waves caused by aircraft or other aerial devices traveling at sonic or supersonic speeds.

Material Damage Section

MATERIAL DAMAGE – INSURING AGREEMENT

In the event of **Damage** to **Property Insured** by any of the **Perils** during the **Period of Insurance** the **Insurer** will pay to the **Insured** the value of the **Property Insured** at the time of **Damage** or at the **Insurer's** option reinstate or replace such **Property Insured** or any part of it.

Provided that the liability of the **Insurer** under this *Material Damage Section* will not exceed:

1. In the whole the total **Sum Insured** or in respect of any item its **Sum Insured** or any other **Limit of Indemnity** at the time of the **Damage**; or
2. The **Sum Insured** (or **Limit of Indemnity**) remaining after deduction for any other **Damage** occurring during the same **Period of Insurance** unless the **Insurer** has agreed to reinstate any such **Sum Insured** (or **Limit of Indemnity**).

MATERIAL DAMAGE – CLAUSES

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

The insurance by each item of **Buildings** or **Contents** includes an amount in respect of architects', surveyors', legal and consulting engineers' fees necessarily and reasonably incurred in the reinstatement or repair of **Property Insured** consequent upon its **Damage** but not for preparing any claim under this **Policy** it being understood that the amount payable under the item will not exceed in total its **Sum Insured**.

Automatic Reinstatement

In the absence of written notice by the **Insurer** or the **Insured** to the contrary the insurance hereby will not be reduced by the amount of any **Damage** in consideration of which the **Insured** will pay the appropriate extra **Premium** on the amount of the **Damage** from the date thereof to the expiry of the **Period of Insurance**.

Contracting Purchasers

If at the time of **Damage** the **Insured** has contracted to sell his interest in any **Buildings** hereby insured and the purchase has not been but will be thereafter completed the purchaser on completion of the purchase (if and so far as the **Buildings** are not otherwise insured against such **Damage** by him or on his behalf) will be entitled to benefit under this *Material Damage Section* without prejudice to the rights and liabilities of the **Insured** or the **Insurer** until completion.

Designation

For the purpose of determining where necessary the heading under which any property is insured the **Insurer** agrees to accept the designation under which such property has been entered in the **Insured's** books.

Non-Invalidation

The insurance by this *Material Damage Section* will 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** immediately they become aware thereof will give notice to the **Insurer** and pay an additional **Premium** if required.

Other Interests

It is agreed that the interest of various lessees, freeholders, mortgagees or debenture holders in this insurance are noted and the **Insured** undertakes to declare the names, nature and extent of such interests at the time of the **Damage**.

Removal of Debris

The insurance by all items of this *Material Damage Section* includes reasonable costs and expenses necessarily incurred by the **Insured** with the consent of the **Insurer** in:

1. Removing debris from;
2. Dismantling and/or demolishing;
3. Shoring up or propping;
4. Boarding up

the portion of the **Property Insured** lost, damaged or destroyed by any **Peril** hereby insured against.

The liability of the **Insurer** under this *Material Damage Section* in respect of any item will in no case exceed the **Sum Insured** thereby.

The **Insurer** will not pay for any costs or expenses incurred in removing debris except from the site of such **Property Insured** and the surface of the area immediately adjacent to such site.

Seventy Two Hours

All **Damage** by **Storm** or **Flood (Peril 8)**, **Earthquake (Peril 6)** or riot under **Peril 5** occurring within each and every separate period of 72 hours during the **Period of Insurance** will be deemed to be one occurrence in determining the application of any **Excess** applicable.

Subrogation Waiver

In the event of a claim arising under this *Material Damage Section* the **Insurer** agrees to waive any rights, remedies or relief to which it might become entitled by subrogation against:

1. Any company standing in the relation of parent to subsidiary or subsidiary to parent to the **Insured** as defined in the Companies Act or Companies (N.I.) Order as appropriate current at the time of the **Damage**;
2. Any company which is a subsidiary of a parent company of which the **Insured** are themselves a subsidiary in each case within the meaning of the Companies Act or Companies (N.I.) Order as appropriate current at the time of the **Damage**;
3. Any tenant or lessee in respect of **Damage** to that part of the **Premises** in the demise of that tenant or lessee or to those parts of the **Premises** in which all the tenants have a common interest where the **Premium** has been paid by the tenant or lessee unless such **Damage** arises out of a criminal or malicious act of the tenant or lessee.

Value Added Tax

The insurance by each item on **Buildings** includes Value Added Tax paid by the **Insured** which is not subsequently recoverable provided that:

1. The **Insured's** liability for such tax arises solely as a result of the reinstatement or repair of the **Buildings** to which such items relate following **Damage**;
2. The **Insurer** has paid or has agreed to pay for such **Damage**;

3. If any payment made by the **Insurer** in respect of the reinstatement or repair of such **Damage** is less than the actual cost of the reinstatement or repair any payment under this clause resulting from that **Damage** will be reduced in like proportion;
4. Where a **Building** has not been registered for Value Added Tax the **Sum Insured** will include an appropriate allowance for Value Added Tax;
5. The **Insured's** liability for such tax does not arise from the replacement building having greater floor area than or being better or more extensive than the destroyed or damaged **Building**;
6. Where an option to reinstate on another site is exercised the **Insurer's** liability under this clause will not exceed the amount of tax that would have been payable had the building been rebuilt on its original site; and
7. The **Insurer's** liability under this clause will not include amounts payable by the **Insured** as penalties or interest for non-payment or late payment of tax.

Special Conditions

1. For the purposes of any Condition of Average (Underinsurance) rebuilding costs will be exclusive of Value Added Tax;
2. The liability of the **Insurer** may exceed the **Sum Insured** by an item or in the whole the total **Sum Insured** where such excess is solely in respect of Value Added Tax; and
3. All the terms and conditions of this **Policy** except in so far as they are varied hereby will apply as if they had been incorporated herein.

Workmen

Workmen may be employed for the purpose of effecting minor repairs, decoration, general maintenance, and minor alterations without prejudice to this insurance, provided that the **Insured** takes all reasonable care for the safety and protection of **Property Insured** and ensures that no alteration, interference or changes are made to any alarm system or any other protective device including fire extinguishment or similar apparatus.

When work involves the application or generation of heat, whether by contractors, workmen or otherwise, the **Insured** must ensure that the Hot Work Permit Condition is fully complied with.

MATERIAL DAMAGE – EXTENSIONS

Additions and Acquisitions

This *Material Damage Section* shall, subject to its terms and conditions and in so far as the same are not otherwise insured, include:

1. Any newly built or newly acquired **Buildings** within the **Territorial Limits**;
2. Alterations, additions and improvements to insured **Buildings**;

where such acquisition or construction occurs during the current **Period of Insurance**.

The liability of the **Insurer** at any one location under this clause shall be:

1. In respect of any newly built or newly acquired **Building**:
 - a. £5,000,000 where the **Buildings** are solely occupied for office or retail use;
 - b. £1,000,000 where the **Buildings** are **Unoccupied**;
 - c. £2,000,000 where the **Buildings** are occupied for other purposes;

2. In respect of alterations, additions and improvements to insured **Buildings** 20% of the **Sum Insured** or £500,000 whichever is lesser.

Provided that:

1. The **Insured** undertakes to give details of such additional building or alterations additions or improvements as soon as practicable and effect specific insurance thereon retrospectively to the date of the commencement of the **Insurer's** liability;
2. Pay the appropriate additional **Premium**.

Alternative Residential Accommodation

If as a result of **Damage** insured by this *Material Damage Section* the residential portions of the **Premises** are unfit to live in or access is denied the **Insurer** will pay insofar as they are not otherwise insured:

1. Loss of **Rent Receivable** and management charges the **Insured** should have received but has lost as a result of the insured **Damage**;
2. The costs of reasonable alternative accommodation and temporary storage of residents' furniture;
3. The cost of reasonable accommodation in kennels or catteries for residents' dogs and cats.

Provided the liability of the **Insurer** under this Extension shall not exceed 20% of the **Sum Insured** on the **Buildings** which have been damaged.

Concern for Welfare Costs

The **Insurer** will pay for **Damage** caused by the police or persons acting under their control in gaining access to the **Buildings** as a result of their concern for the welfare of an occupier of the **Premises**.

Contract Works

Where the **Insured** has entered into a contract or agreement for the extension, alteration or refurbishment of any of the **Premises** the insurance by each item of **Buildings** is extended to include contract works (including unfixed materials on site) to the extent required by contract conditions. The **Insurer** will note the interest of the contractor and sub-contractor as specified in the contract where such interests are required.

Provided that the **Insured**:

1. Gives the **Insurer** prior notification of any contract with a contract price in excess of £250,000 including details of the works to be carried out together with contract conditions, contract period and contract price;
2. Pays the additional **Premium** required in respect of each individual contract to which this clause applies.

The **Insurer** will not indemnify the **Insured**:

1. Where a more specific insurance policy is in force;
2. In respect of **Damage** by theft or by malicious persons (not acting on behalf of or in connection with any political organisation) the first £500 in respect of each separate contract.

For the purposes of this Extension, contract works include temporary or permanent works completed or to be completed by or on behalf of the **Insured** at the **Premises**.

Drains Gutters and Sewers

The **Insurer** will pay reasonable costs and expenses necessarily incurred in clearing, cleaning and repairing drains, gutters, sewers and the like at the **Premises** and in the immediate vicinity thereof for which the **Insured** are responsible in consequence of **Damage**.

The liability of the **Insurer** under this Extension and this *Material Damage Section* in respect of any one item will in no case exceed the **Sum Insured** thereby.

Eviction of Unauthorised Persons

The **Insurer** will pay reasonable costs and expenses necessarily incurred with the **Insurer's** prior consent to remove or evict unauthorised persons from the **Premises** provided that the **Insurer** will not be liable for:

1. Fines, penalties, compensation or damages arising in the course of removal or eviction; or
2. Occupation of squatters occurring prior to the inception of this cover.

The **Insurer's** liability will not exceed £10,000 in respect of any one **Premises** and £25,000 in the aggregate in any one **Period of Insurance**.

Failure of Other Insurances

The insurance by this *Material Damage Section* extends to cover **Damage** to **Buildings** in the **Territorial Limits** in which the **Insured** has an insurable interest but under the terms of the lease the responsibility for arranging adequate insurance cover rests with a third party lessee or third party lessor.

Provided that:

1. A valid enforceable lease is in force;
2. The **Insured** could not have prevented such failure;
3. This Extension shall only apply:
 - a. in the event of failure of the third party's insurance and then only for the excess beyond the amount payable under such insurance;
 - b. in respect of claims arising directly from a contingency specified in the lease but in no case greater in scope than the cover provided by this **Policy**;
 - c. the **Insurer** is the sole provider of buildings insurance in respect of the **Insured's** properties owned in connection with the **Business** as defined in the **Schedule** and where the **Insured** have an obligation to arrange such cover;
4. At any one **Premises** this cover shall not exceed 20% of the total **Sum Insured** by the *Material Damage Section* but in no case exceeding £2,000,000.

Further it is a condition of the insurance by this *Material Damage Section* that:

1. The **Insured** has procedures in place to check that lessees or lessors have effected and maintain adequate insurance cover including any **Terrorism** cover;
2. On discovery of a failure to insure or to insure for reinstatement value the **Insured** shall immediately effect adequate insurance cover including against **Terrorism** where they have elected to take **Terrorism** cover; and
3. Subrogation rights are not waived in respect of damage caused by **Terrorism**.

Fire Extinguishment Expenses

The **Insurer** will pay the reasonable costs incurred by the **Insured** in respect of:

1. Refilling fire extinguishing appliances and recharging gas flooding systems;
2. Replacing used sprinkler heads and refilling sprinkler tanks where costs are metered;
3. Resetting fire and intruder alarms and closed circuit television systems;
4. Public fire brigade charges for which the **Insured** may be assessed,

all in consequence of **Damage** as insured hereby.

Fly Tipping

The **Insurer** will pay reasonable costs necessarily incurred in clearing and removing any property in consequence of its being illegally deposited in on or around the **Premises** up to an amount of £5,000 each and every loss.

Glass Breakage

The insurance by this *Material Damage Section* where **Buildings** is **insured** on the **Schedule** extends to include:

1. Accidental breakage of fixed glass and sanitary earthenware;
2. **Damage** to neon and illuminated signs and electric light fittings;
3. The costs of boarding-up and repair to associated framework reasonably incurred as a result of insured **Damage**;
4. Repair or replacement of lettering alarm foil or other ornamentation on glass up to an amount not exceeding £500;
5. Repair or replacement of fixed mirrors up to an amount not exceeding £500;
6. Removal or replacement of fixtures and fittings which may be necessary as a result of insured **Damage** up to an amount not exceeding £500,

but excluding **Damage** in respect of any **Buildings** or part thereof which is or are **Unoccupied** for more than 30 consecutive days.

Illegal Cultivation of Drugs

The **Insurer** will pay the necessary and reasonable expenses and clean-up costs incurred with the **Insurer's** prior consent and for which the **Insured** is responsible to remedy **Damage** caused by the illegal cultivation of controlled substances at the **Premises** up to an aggregate amount not exceeding £25,000 in any one **Period of Insurance** provided that:

1. If the **Premises** are **Unoccupied**, the **Insured** must comply with the Unoccupied Buildings Condition;
2. If the **Premises** are occupied, the **Insured** must:
 - a. Inspect the interior and exterior of the **Premises** at least once every three months;
 - b. Retain a written record of such inspections for 24 months and keep the records at a location away from the **Premises**;
 - c. Obtain and verify the following information before any tenancy begins:
 - i) Written formal identification checks for all tenants;
 - ii) Written formal references for all tenants;
 - iii) Details of tenants' bank account. Such verification checks to include receiving rental payments; and

- d. Provide copies of the above verification checks to **Insurers** in the event of a claim.

“Controlled substances” means substances designated as controlled by the Misuse of Drugs Act 1971.

There is no cover under this Extension or otherwise under the **Policy** for any costs associated with the cultivation of any substances at the **Premises** that began before the **Period of Insurance**.

Japanese Knotweed

The **Insurer** will pay the necessary and reasonable expenses incurred with the **Insurer’s** prior consent to eradicate the presence of Japanese Knotweed at the **Premises** and to dispose of the associated waste in accordance with the requirements of the Environmental Protection Act 1990 up to an aggregate amount of £2,000 in any one **Period of Insurance**.

“Japanese Knotweed” means Fallopia Japonica.

There is no cover under this Extension or otherwise under the **Policy** for any costs or expenses caused directly or indirectly by the presence of Japanese Knotweed at the **Premises** if any such presence began before the **Period of Insurance**.

Landscaped Gardens

The **Insurer** will pay costs and expenses incurred with their consent in restoring landscaped gardens and grounds including trees caused following **Damage** insured by this *Material Damage Section* subject to a limit of £50,000 any one claim. The **Insurer** will not pay costs and expenses arising due to the failure of trees, shrubs and plants, turf and the like to germinate or become established.

Loss Prevention Expenditure

The **Insurer** will pay reasonable costs and expenses necessarily incurred by the **Insured** with the consent of the **Insurer** for the sole purpose of avoiding or diminishing the amount of a loss following **Damage** which but for that expenditure would have occurred.

There is no cover for any loss prevention expenditure for which the **Insured** has cover elsewhere including the Mitigation of Loss Condition or *Business Interruption Section* of this **Policy** or other insurance.

Metered Services

This *Material Damage Section* includes the cost of metered water, electricity, gas, oil or other utility services for which the **Insured** are legally responsible arising from:

1. Unauthorised use by persons taking possession, keeping possession or occupying **Premises** as insured by this *Material Damage Section* without the **Insured’s** authority provided that all practicable steps are taken to terminate such unauthorised use as soon as it is discovered; and
2. Accidental discharge resulting from **Damage to Property Insured** by this *Material Damage Section*.

The **Limit of Indemnity** under this clause will not exceed £25,000 any one occurrence.

Omission to Insure

This *Material Damage Section* extends to include **Buildings** in **Territorial Limits** owned by or on lease to the **Insured** or on which the **Insured** is interested as mortgagees but which have inadvertently been left uninsured.

The **Insurer’s** liability in no case shall exceed:

1. £5,000,000 where the **Buildings** are solely occupied for office or retail use;

2. £1,000,000 where the **Buildings** or portion of such **Buildings** are **Unoccupied**;
3. £2,000,000 where the **Buildings** are occupied for other purposes.

Provided that:

1. The **Insured** will give notice in writing to the **Insurer** immediately they become aware of an omission to insure and will pay the appropriate **Premium** from the date upon which the insurance of the **Buildings** became the **Insured's** responsibility;
2. The **Insured** will carry out at not less than annual intervals a check of all properties owned by them or leased by them and for which they are responsible to ensure that effective insurance is in force for such properties; and
3. This clause will only be effective if the **Insurer** is the sole provider of buildings insurance in respect of the **Insured's** properties owned in connection with the **Business** as defined in the **Schedule** and where the **Insured** has an obligation to arrange such insurance.

Privity of Contract

The **Insurer** will subject to the Special Conditions stated below pay all such sums as the **Insured** will become legally liable to pay and will pay as indemnity to any tenant in respect of the repair or reinstatement of premises previously owned but which are no longer the property of the **Insured** and where the current owner has failed to maintain adequate insurance cover.

Special Conditions

1. The insurance by this Extension will not contribute in respect of any more particular insurance effected by the new owner tenants or sub-tenants;
2. The **Insured** will take all reasonable and appropriate steps to obtain release from their liabilities under the covenants to insure such property on its disposal; and
3. This Extension will only be effective if the **Insurer** is the sole provider of buildings insurance in respect of the **Insured's** properties owned in connection with the **Business** as defined in the **Schedule** and where the **Insured** has an obligation to arrange such insurance.

Provided always that the **Insurer's** liability under this Extension will not exceed £2,000,000 any one occurrence or in all in any one **Period of Insurance**.

Reinstatement to Match

The **Insurer** will pay the cost of replacement or modification of undamaged parts of the **Buildings** that form part of a suite common design or function where the **Damage** is restricted to a clearly identifiable area or to a specific part.

Provided always that the **Insurer's** liability will in no case exceed the amount that would have been payable had the suite common design or function been wholly destroyed.

Removal of Nests

This *Material Damage Section* extends to include the cost of removing wasps or bees' nests and vermin from **Buildings** up to an amount of £1,000 but excluding nests or infestations already present before the inception of this insurance.

Replacement of Keys

The **Insurer** will pay reasonable costs and expenses necessarily incurred by the **Insured** for the replacement of locks following the loss of keys to the **Premises** from the private residence or person of the **Insured** or an authorised representative of the **Insured**.

The **Limit of Indemnity** under this Extension shall not exceed £10,000 any one claim.

Temporary Removal

The **Property Insured** under this *Material Damage Section* is covered whilst temporarily removed from the **Premises** for cleaning, renovation, repair or similar purposes elsewhere and during transit thereto and therefrom all within the **Territorial Limits** provided that:

1. The liability of the **Insurer** under this clause in respect of each item of this *Material Damage Section* for any **Damage** occurring elsewhere than at the **Premises** will not exceed 10% of the **Sum Insured** by the item; and
2. This clause does not apply to **Property Insured** in so far as it is otherwise insured.

Temporary Removal – Documents and Computer System Records

This *Material Damage Section* includes the following whilst temporarily removed to premises not in the **Insured's** occupation but whilst remaining within the **Territorial Limits**:

1. Deeds and other documents, manuscripts, plans and writings of every description and books (but excluding computer system records) up to 10% of the total value of such property;
2. Computer system records up to 10% of the **Limit of Indemnity** shown in the definition of **Landlords Contents**.

Trace and Access

In the event of **Damage** resulting from an Escape of Water (**Peril 9**) if insured hereby this *Material Damage Section*, includes the reasonable costs necessarily incurred with the consent of the **Insurer** in:

1. Locating the source of such **Damage**; and
2. The subsequent making good of **Damage** caused as a consequence thereof,

provided that the **Limit of Indemnity** for any one occurrence will not exceed £50,000 or 10% of the **Sum Insured** by this *Material Damage Section* whichever is the lesser.

Tree Felling or Lopping

The **Insurer** will pay reasonable costs and expenses necessarily incurred in felling, lopping and removing trees for which the **Insured** are legally responsible and which are an immediate threat to the safety of life or property. The **Insurer** will not pay for:

1. Legal or local authority costs involved in removing trees;
2. Costs incurred solely to comply with a Preservation Order; or
3. The costs incurred in respect of routine maintenance.

Upgrading Sprinkler Installations

In the event of **Damage to Buildings** insured by this *Material Damage Section* the **Insurer** will pay the additional costs incurred in respect of repair or reinstatement of the automatic sprinkler installation if the **Insurer** requires the installation to conform to the Loss Prevention Council Rules for Automatic Sprinkler Installations current at that time.

It being understood that the amount payable under the item shall not exceed in total its **Sum Insured**.

MATERIAL DAMAGE – CONDITIONS

Condition of Average (Underinsurance)

The **Sum Insured** for each item in this *Material Damage Section* (except those solely for fees, rent or removal of debris) is subject to Average.

This means that if the **Sum Insured** is less than the value of the **Property Insured** at the start of any **Damage**, the **Insurer** will reduce proportionately the amount payable for such **Damage**.

Where **Buildings** and **Contents** are to be indemnified on the terms set out in the Reinstatement Condition, this Average (Underinsurance) Condition will not apply to the same **Damage**.

Day One Basis

Applicable to each item where a Declared Value is shown on the Schedule

The **Premium** has been calculated based on the **Declared Value** provided by the **Insured**. "**Declared Value**" means the **Insured's** estimate of the cost of **Reinstatement** of the **Property Insured**. This estimate is to be calculated in accordance with the definition of **Reinstatement** found in the Reinstatement Condition at the level of costs applying at inception of the **Policy** (ignoring any amount for subsequent inflation), and must include:

1. Additional expenses for reinstatement to meet local authority requirements;
2. Professional fees; and
3. Debris removal costs.

The **Declared Value** for each item is as listed in the **Schedule**. At the start of each subsequent **Period of Insurance**, the **Insured** must inform the **Insurer** of any revised **Declared Value** for each item. If no revised declaration is made, the last amount declared by the **Insured** will be used as the **Declared Value** for the next **Period of Insurance**.

In cases where the **Insured** has chosen to insure on this Day One Basis, Special Condition (4) of the Reinstatement Condition is substituted entirely with the following:

Notwithstanding the Average (Underinsurance) Condition, if, at the time of the loss, the **Declared Value** of the **Property Insured** for that item is less than the cost of **Reinstatement** at the beginning of the **Period of Insurance**, the **Insurer's** liability for any loss covered by this insurance will be limited to the proportion that the **Declared Value** bears to the cost of **Reinstatement**.

If the application of the Special Conditions of the Reinstatement Condition results in no payment being made beyond what would have been paid if this condition (or the Reinstatement Condition) had not been included in this *Material Damage Section*, the rights and obligations of the **Insurer** and the **Insured** regarding **Damage** will be subject to the terms and conditions of this *Material Damage Section*, including the Average (Underinsurance) Condition, as if this Day One Basis Condition had not been included. However, the **Sums Insured** will be limited either to 115% of the **Declared Values** listed in the **Schedule** or the agreed percentage as stated in the **Schedule**.

In the event of a loss, the **Insurer's** liability for **Property Insured** to which this clause applies will not exceed the **Sum Insured** as stated in the **Schedule**.

Fire Break Doors and Shutters

The **Insured** undertakes to maintain all firebreak doors and shutters within his custody or control in efficient working order and to keep them free from obstruction at all times.

Fire Extinguishing Appliances

The **Insured** hereby undertakes to have fire extinguishing appliances serviced and maintained under an annual service contract with approved suppliers or as agreed with the **Insurer**.

Subject to the observance of the above undertaking this **Policy** will not be invalidated as a result of any defect in any of the said appliances unknown to or beyond the control of the **Insured**.

Hot Works Permit

There is no cover for **Damage** to the **Property Insured** caused directly or indirectly by fire, heat or smoke if the **Insured** fails to comply with the following condition. The **Insured** must ensure that:

1. Before any hot work commences, a hot work permit in the form set out in the prevailing recommendation of a relevant safety body (e.g. Loss Prevention Recommendation RC7 published by the Fire Protection Association (FPA)), or in substantially the same form, must be completed jointly by the person responsible for carrying out the work (including an employee of the **Insured**, a contractor or sub-contractor or any other person engaged by or on behalf of the **Insured**) and the **Insured's** nominated person responsible for health and safety; and
2. The terms of such permit, including any precautions, inspections or systems of work, as well as any related method statement, are complied with at every stage of the hot work.

'Hot work' means work involving the application of a naked flame or other heat source (including oxyacetylene or electric arc) during any activity including construction, maintenance or repair work.

Insurer's Rights

On the happening of **Damage** in respect of which a claim is made under the **Policy**, the **Insurer** and any person authorised by the **Insurer** may, without thereby incurring any liability or diminishing any of the **Insurer's** rights under this **Policy**, enter, take or keep possession of the **Premises** where such **Damage** has occurred and take possession of or require to be delivered to the **Insurer** any **Property Insured** and deal with such property for all reasonable purposes and in any reasonable manner.

No claim under this *Material Damage Section* will be payable unless the terms of this Condition have been complied with.

No **Property Insured** may be abandoned to the **Insurer** whether taken possession of by the **Insurer** or not.

The **Insurer** will be permitted, but not obliged, to carry out inspections of the **Property Insured** and the **Insured's** operations at any time, having given reasonable notice.

Mitigation of Loss

This **Policy** is extended to include cover for costs and expenses incurred by the **Insured** as a result of reasonable but emergency measures in order to prevent or minimise actual or imminent impending **Damage** to **Property Insured**, including the prompt execution of temporary repairs, or if less expensive, expedited permanent repairs or replacement and temporary rental or replacement of property if:

1. The actual or imminent impending **Damage**:
 - a. was not reasonably foreseeable at a time when non-emergency measures could reasonably have been taken; and
 - b. would have been the natural outcome if the costs were not incurred; and
2. The costs incurred did avoid or mitigate the **Damage** and the **Insurer** is satisfied of this; and

3. The costs incurred did not exceed the amount of the loss avoided or the reduction of loss achieved.

There is no cover for any mitigation of loss expense for which the **Insured** has cover elsewhere including the Loss Prevention Extension or *Business Interruption Section* of this **Policy** or other insurance.

Public Authorities (including Undamaged Property)

Subject to the following Special Conditions the insurance in respect of **Buildings** and **Contents** extends to include such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with:

1. European Community legislation, or
2. Building or other Regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority

(hereinafter referred to as 'the Stipulations')

in respect of:

1. The lost, destroyed or damaged **Property Insured**;
2. Undamaged portions thereof;

excluding:

1. The cost incurred in complying with the Stipulations:
 - a. in respect of **Damage** occurring prior to the inception of this **Policy**;
 - b. in respect of **Damage** not insured by the **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 has to be implemented within a given period;
 - e. in respect of **Property** entirely undamaged.
2. The additional cost that would have been required to make good the **Property Insured** lost, destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen.
3. The amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **Property Insured** or by the owner thereof by reason of compliance with the Stipulations.

Special Conditions

1. The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the **Damage** or within such further time as the **Insurer** may allow (during the said 12 months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the **Insurer** under this condition not being thereby increased;
2. If the liability of the **Insurer** under (any item of) the **Policy** apart from this condition will be reduced by the application of any of the terms and conditions of the **Policy** then the liability of the **Insurer** under the condition (in respect of any such item) will be reduced in like proportion;
3. The total amount recoverable under any item of the **Policy** in respect of this condition will not exceed:
 - a. in respect of the lost, destroyed or damaged **Property Insured** the applicable **Sum Insured**;
 - b. in respect of undamaged portions of **Property Insured** (other than foundations) 15% of the total amount for which the **Insurer** would have been liable had such **Property Insured** been wholly destroyed;
4. The total amount recoverable under any item of the **Policy** will not exceed its **Sum Insured**; and

5. All the terms and conditions of the **Policy** except in so far as they are varied hereby will apply as if they had been incorporated herein.

Reinstatement

Subject to the following special conditions, the basis for calculating the amount payable for **Buildings** and **Contents** insured under this *Material Damage Section* is reinstatement of the lost, destroyed or damaged **Property Insured**.

Reinstatement means:

1. Rebuilding or replacing lost or destroyed **Property Insured** in a manner suitable to the **Insured's** needs or on another site, if it does not increase the **Insurer's** liability; or
2. Repairing or restoring the damaged **Property Insured**

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

Special Conditions

If only part of the **Property Insured** is damaged, the **Insurer's** liability for repair or restoration will not exceed the amount that would have been payable if the **Property Insured** had been lost or completely destroyed.

1. No payment will be made until reinstatement starts with reasonable promptness and progresses without undue delay, or until the reinstatement costs are incurred, and in lieu of reinstatement so starting or progressing, the **Insurer's** liability will not exceed the amount that would otherwise be payable in the absence of this Reinstatement **Condition** (i.e. the 'indemnity basis' of calculation will apply);
2. All other terms and conditions of the **Policy** apply, except as altered by this Reinstatement Condition;
3. Notwithstanding the Average (Underinsurance) Condition, if, at the time of reinstatement, 85% of the cost of reinstating the entire **Property Insured** exceeds the **Sum Insured** at the start of the **Damage**, the **Insurer's** liability will not exceed the proportion of the **Damage** amount that the **Sum Insured** bears to the total reinstatement cost at that time; and
4. If the **Insurer** chooses to carry out the reinstatement, the **Insured** must provide all necessary plans, documents, books and information at their expense.

Unoccupied Buildings

The cover under this *Material Damage Section* will not apply to **Damage** to any **Buildings** or parts of **Buildings** that are **not** in use unless the **Insured** notifies the **Insurer** in advance in writing when **Buildings** or parts of them are **Unoccupied** for more than thirty (30) consecutive days. The **Insurer** must confirm receiving this notice in writing to the **Insured**. If required by the **Insurer**, the **Insured** must pay additional **Premium** in accordance with the Premium Payment Condition.

The **Insured** must also inform the **Insurer** if the relevant **Buildings** or parts of them are no longer **Unoccupied**.

For any **Unoccupied Buildings** or parts of **Buildings**, the **Insured** must ensure the following:

1. All potential entrances to the **Buildings**, including but not limited accessible windows and rooflights, must be properly secured;
2. The specified security devices are fully operational on the **Premises**;
3. All flammable materials, including packaging and crates, are removed;
4. Utilities such as gas and electricity are disconnected, except when necessary for the alarm system's operation or when otherwise agreed upon with the **Insurer**;

5. Windows at the **Premises** must be boarded up and any letter box or letter plate must be sealed;
6. The **Premises** are checked both inside and outside every seven days, and a written record of these inspections is kept at a separate location; and
7. Any issues found during inspections are promptly resolved.

Cover under this *Material Damage Section* will only apply to **Damage** caused by **Peril 1** (fire), **Peril 3** (explosion) or **Peril 4** (aircraft). This limited coverage will:

1. Apply only if the **Insured** has complied with the above provisions;
2. Be effective from the date when the **Insurer** confirms receiving notice from the **Insured** that **Buildings** or parts of them have become **Unoccupied**, or from the time when additional **Premium** is received by the **Insurer** in accordance with the Premium Payment Condition (whichever is later); and
3. Continue until the date when the **Insured** notifies the **Insurer** that the relevant **Buildings** or parts of them are no longer **Unoccupied**.

Failure to notify the **Insurer** that **Buildings** are **Unoccupied** or to ensure that the **Insurer** receives any additional **Premium** required will mean that there is no cover under this **Policy** for any loss.

There is no cover under this **Policy** for **Buildings** or part of **Buildings** that cease to be **Unoccupied** during the **Period of Insurance** if there is a change in the trade or activities at or the use of **Buildings** or part of **Buildings**, unless:

1. The **Insured** notifies the **Insurer** about the changes in writing;
2. The **Insurer** agree to continue to provide cover for the **Buildings** in writing;
3. The **Insured** agrees in writing to comply with any additional terms of the **Policy** that may be required by the **Insurer**; and
4. The **Insured** pays any additional **Premium** due and the **Insurer** receives such additional **Premium** in accordance with the Premium Payment Condition.

RICS Waiver

If, at the inception of the **Policy**, the **Declared Value** for **Buildings**, is based on a Rebuilding Cost Assessment that is:

1. Prepared by a qualified member of the Royal Institute of Chartered Surveyors;
2. In accordance with the definition of "Reinstatement" in the Reinstatement Condition;
3. Less than three years old; and
4. Updated annually in line with the:
 - a. Building Cost Information Cost Index for Residential Property; or
 - b. Building Cost Information General Buildings Cost Index for Commercial Property,

the **Insurer** agrees not to apply the Condition of Average (Underinsurance) or the Average provision of the Day One Condition (namely, Special Condition 4 of the Reinstatement Condition as amended for the Day One Condition but solely to the extent that it relates to Average) in the event of **Damage** to the insured **Buildings**.

Business Interruption Section

BUSINESS INTERRUPTION – DEFINITIONS

Notwithstanding the General Definitions of this **Policy**, the words defined below will have the following special meanings wherever they appear in bold letters within this *Business Interruption Section*.

Estimated Rent Receivable means the amount declared by the **Insured** to the **Insurer** as representing not less than the **Rent Receivable** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds twelve months).

Increase in Cost of Working means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the interruption to, or interference with, the **Business**, during the **Indemnity Period**, as a result of **Damage to Buildings** or other **Property Insured** used by the **Insured** at the **Premises** for the purpose of the **Business**.

Indemnity Period means the period beginning with the occurrence of the **Damage** and ending not later than the **Maximum Indemnity Period** thereafter during which the results of the **Business** will be affected in consequence thereof.

Maximum Indemnity Period means the number of months stated in the **Schedule**.

Specified Working Expenses means purchases (less discounts received) discounts allowed carriage packing and freight and such additional expenses specified in the **Schedule**.

Standard Rent Receivable means the **Rent Receivable** during that period in the twelve months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

BUSINESS INTERRUPTION – CONDITIONS

Alteration in Material Facts

This **Policy** may be terminated from the date of any of the changes specified below if after the commencement of this insurance:

1. The **Business** does any of the following:
 - a. makes a composition or arrangement with creditors; or
 - b. has a proposal for a voluntary arrangement for a composition of debts or scheme of arrangement in accordance with the Insolvency Act 1986; or
 - c. has an application made under the Insolvency Act 1986 to the court for the appointment of an administrator; or
 - d. has a winding-up order made or (except for the purposes of amalgamation or reconstruction) a resolution for voluntary winding up passed or have a provisional liquidator, receiver or receiver manager of the business or undertaking duly appointed; or
 - e. has an administrative receiver, as defined in the Insolvency Act 1986, appointed.
2. The interest of the **Insured** ceases other than by death; or

3. Any alteration is made either in the **Business** or the **Premises** whereby the risk of loss, destruction or damage is increased provided that if the increase could not reasonably have been known to the **Insured** or the increase is beyond its control the **Policy** will continue, subject to the **Insured**:
- a. Notifying the **Insurer** of the increase of risk within fourteen (14) days of the **Insured** becoming aware of the increase; and
 - b. The **Insured** will pay additional **Premiums** promptly to the **Insurer**, such amount to be calculated at the **Insurer's** discretion.

Unless otherwise agreed by the **Insurer** in writing.

Estimated Rent Receivable Basis of Cover

ESTIMATED RENT RECEIVABLE – INSURING AGREEMENT

In the event of **Damage** to **Buildings** or other **Property Insured** used by the **Insured** at the **Premises** for the purpose of the **Business** by any of the **Perils** during the **Period of Insurance** and in consequence the **Business** carried on by the **Insured** at the **Premises** be interrupted or interfered with then the **Insurer** will pay to the **Insured** in respect of each item in the **Schedule** the amount of loss resulting from such interruption or interference provided that:

1. At the time of the happening of the **Damage** there will be in force an insurance covering the interest of the **Insured** in the **Property Insured** at the **Premises** against such **Damage** and that:
 - a. payment will have been made or liability admitted therefor; or
 - b. payment would have been made or liability admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount;
2. The liability of the **Insurer** under this *Business Interruption Section* will not exceed 133.33% of the amount stated in the **Schedule** at the time of the **Damage**,

In the absence of written notice by the **Insured** or the **Insurer** to the contrary the **Insurer's** liability will not stand reduced by the amount of any loss, the **Insured** undertaking to pay the appropriate additional **Premium** for such automatic reinstatement of cover:

3. The insurance in respect of **Estimated Rent Receivable** in the **Schedule** is limited to loss of **Rent Receivable** and **Increase in Cost of Working** and the amount payable as indemnity thereunder will be:
 - a. in respect of reduction in **Rent Receivable** the amount by which the **Rent Receivable** during the **Indemnity Period** will fall short of the **Standard Rent Receivable** in consequence of the **Damage**;
 - b. in respect of **Increase in Cost of Working** the amount of the **Increase in Cost of Working** (subject to the provisions of the Uninsured Standing Charges Clause) but not exceeding the amount of the reduction thereby avoided

less any sum saved during the **Indemnity Period** in respect of such of the charges and expenses of the **Business** payable out of **Rent Receivable** as may cease or be reduced in consequence of the **Damage**.

There is no cover for any increase in cost of working for which the **Insured** has cover under the *Material Damage Section* of this **Policy** or other insurance.

ESTIMATED RENT RECEIVABLE – CLAUSES

Additions and Acquisitions

This *Business Interruption Section* shall subject to its terms and conditions and in so far as the same are not otherwise insured include **Rent Receivable** of:

1. Any newly built or newly acquired **Buildings** within the **Territorial Limits**;
2. Alterations, additions and improvements to insured **Buildings**,

where such acquisition or construction occurs during the current **Period of Insurance**.

The liability of the **Insurer** at any one location under this clause shall be £500,000.

Provided that:

1. The **Insured** undertakes to give details of **Rent Receivable** from such additional building or alterations, additions or improvements as soon as practicable and effect specific insurance thereon retrospectively to the date of the commencement of the **Insurer's** liability; and
2. Pay the appropriate additional **Premium**.

Alternative Trading

If during the **Indemnity Period** the **Business** is conducted elsewhere than at the **Premises** the money paid or payable to the **Insured** in respect of such other premises will be brought into account in arriving at the **Rent Receivable** during the **Indemnity Period**. This clause will not apply where the **Insured** is able to prove that the alternative premises used for this purpose would otherwise have been let to another party. Such proofs to consist of signed lease or licence agreements or similar.

Auditors or Professional Accountants

1. Any particulars or details contained in the **Insured's** books of account or other business books or documents which may be required by the **Insurer** for the purpose of investigating or verifying any claim hereunder may be produced by auditors or professional accountants, if at the time they are regularly acting as such for the **Insured**, and their report will be prima facie evidence of the particulars and details to which such report relates; and
2. The **Insurer** will pay to the **Insured** the reasonable charges payable by the **Insured** to their auditors or professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the **Insurer** and reporting that such particulars or details are in accordance with the **Insured's** books of account or other business books or documents, provided that the sum of the amount payable under this *Business Interruption Section* will in no case exceed the **Sum Insured** for the item.

Buildings Awaiting Sale

If at the time of the **Damage** the **Insured** have contracted to sell their interest in any **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:

1. During the period prior to the date upon which but for the **Damage** the **Premises** would have been sold the loss of rent being the actual amount of the reduction in the **Rent Receivable** by the **Insured** during the **Indemnity Period** solely in consequence of the **Damage**;
2. During the period commencing with the date upon which but for the **Damage** the **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:
 - a. 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**;
 - b. 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 (a) above less any **Rent Receivable**.

This clause also covers with the consent of the **Insurer** additional expenditure being the reasonable expenditure necessarily incurred during the **Indemnity Period** in consequence of the **Damage** solely to avoid or minimise the loss payable under (1) and (2) above.

New Business

For the purpose of any claim arising from **Damage** occurring before the completion of the first year's trading of the **Business** at the **Premises** the term '**Standard Rent Receivable**' will bear the following meaning and not as within stated:

Standard Rent Receivable – The proportional equivalent for a period equal to the **Indemnity Period** of the **Rent Receivable** realised during the period between the commencement of the **Business** and the date of the **Damage**.

Adjustments will be made as may be necessary to provide for:

1. The trend of the **Business**; and
2. Variations in or other circumstances affecting the **Business**

whether before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted will 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 **Damage**.

Omission to Insure

This *Business Interruption Section* extends to include **Rent Receivable** of any building within the **Territorial Limits** owned by or on lease to the **Insured** or on which the **Insured** is interested as mortgagees but which have inadvertently been left uninsured.

The liability of the **Insurer** at any one location under this clause shall be £500,000.

Provided that:

1. The **Insured** will give notice in writing to the **Insurer** immediately they become aware of an omission to insure and will pay the appropriate **Premium** from the date upon which the insurance of the property became the **Insured's** responsibility;
2. The **Insured** will carry out at not less than annual intervals a check of all properties owned by them or leased by them and for which they are responsible to ensure that effective insurance is in force for such properties; and
3. This clause will only be effective if the **Insurer** is the sole provider of Buildings Insurance in respect of the **Insured's** properties owned in connection with the **Business** as defined in the **Schedule** and where the **Insured** have an obligation to arrange such insurance.

Re-letting Costs

The **Insurer** will pay reasonable costs and expenses necessarily incurred with their consent during the **Indemnity Period** in re-letting the **Premises** including legal fees in connection with the re-letting solely in consequence of the **Damage**.

Trends Adjustment

The **Standard Rent Receivable** will be adjusted as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred, so that the figures thus adjusted will 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 **Damage**.

Uninsured Standing Charges

If any standing charges of the **Business** be not insured by this *Business Interruption Section* (having been deducted in arriving at the **Rent Receivable** as defined herein) then, in computing the amount recoverable hereunder as **Increase in Cost of Working**, that proportion only of any additional expenditure will be brought into account which the **Rent Receivable** bears to the sum of the **Rent Receivable** and the uninsured standing charges.

ESTIMATED RENT RECEIVABLE – EXTENSIONS

The undernoted extensions are operative only if specifically stated in the **Schedule** and are subject otherwise to the limits, terms, conditions and exclusions of this *Business Interruption Section*.

Any loss as insured under the insuring agreement of this *Business Interruption Section* resulting from interruption of or interference with the **Business** in consequence of **Damage** at the situations or to property (both noted in the Extension) shall be deemed to be loss resulting from **Damage** to property used by the **Insured** at the **Premises** provided that after the application of all other terms and conditions of this *Business Interruption Section* the **Insurer's** liability under the applicable Extension in respect of any one occurrence shall not exceed the lower of:

1. 133.33% of the **Estimated Rent Receivable** of this *Business Interruption Section* shown in the **Schedule**; or
2. The **Limit of Indemnity**.

Furthermore, some extensions – including those agreed by **Endorsement** – might be subject to a **Maximum Indemnity Period**, sub-limit or inner-limit, as stated in the **Schedule**: such limits apply in the aggregate for all locations in any one **Period of Insurance**, irrespective of the number of incidents of **Damage** including any 'deemed **Damage**'; where more than one extension provides cover for such **Damage**, including any 'deemed **Damage**', the maximum the **Insurer** will pay is the highest of the relevant extension limits shown in the **Schedule**.

Action of Competent Authorities

Action by the police or other competent local civil or military authority following a danger or disturbance in the vicinity of the **Premises** whereby access thereto is prevented.

Provided always that:

1. There will be no liability under this Extension for loss resulting from interruption of the **Business** during the first 12 hours of the **Indemnity Period**;
2. The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** as stated in the **Schedule** for this Extension;
3. The **Maximum Indemnity Period** shall be 3 months; and
4. This Extension provides no cover for any action covered by the Murder Suicide and Disease Extension of this *Business Interruption Section*.

Legionellosis

Any outbreak of Legionellosis at the **Premises** causing restrictions on the use thereof on the order or advice of the competent local authority provided always that:

1. For the purpose of this Extension **Premises** will only include those **Premises** which are directly affected by the outbreak;

2. For the purpose of this Extension '**Indemnity Period**' will mean the period during which the results of the **Business** are affected in consequence of the occurrence or discovery beginning with the date from which the restrictions on the **Premises** are applied and ending not later than the **Maximum Indemnity Period** thereafter;
3. The **Insurers** will not be liable for any costs incurred in cleaning, repair, replacement or checking of property other than costs and expenses not exceeding the amount stated in the **Schedule** in any one **Period of Insurance** necessarily incurred with the **Insurer's** consent in cleaning and decontamination of the air-conditioning or water supply equipment at the **Premises** the use of which has been restricted on the order or advice of the competent local authority;
4. The **Insurer** will have no liability under this Extension if the **Insured** is at the time of the outbreak in breach of their statutory obligations in respect of the control of Legionellosis;
5. The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** as stated in the **Schedule** for this Extension; and
6. The **Maximum Indemnity Period** will mean 3 months.

Loss of Attraction

Damage to property within a one mile radius of the **Premises** that directly results in a reduced attraction for customers and an identifiable reduction in the **Business**.

For the purposes of this Extension:

1. The **Maximum Indemnity Period** is three months; and
2. The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** as stated in the **Schedule** for this Extension.

There is no cover for any loss:

1. During the first 24 hours of the **Indemnity Period**; or
2. As a result of obstruction by **Storm** and **Flood (Peril 8)** or snow.

Managing Agents

Property at the premises of any managing agents employed or engaged to collect **Rent Receivable** where as a direct consequence of such **Damage Rent Receivable** cannot be collected.

For the purposes of this Extension:

1. The **Maximum Indemnity Period** is three months; and
2. The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** as stated in the **Schedule** for this Extension.

Murder Suicide or Disease

Any:

1. Occurrence of a **Specified Disease** at those **Premises**; or
2. Discovery of an organism or substance at those **Premises** likely to result in the occurrence of a **Specified Disease**; or
3. **Injury** or illness caused by a **Specified Disease** resulting from the consumption of food or drink supplied from those **Premises**; or
4. Discovery of vermin or pests at those **Premises**; or

5. Accident causing defects in the drains or other sanitary arrangements at those **Premises** which causes restrictions on the use of the **Premises** on the order or advice of the competent local authority; or
6. Occurrence of murder or suicide at those **Premises**.

Specified Disease means any disease specified below, but only to the extent that such disease is confirmed to have been discovered at the **Insured's Premises** and such discovery restricts the use of those **Premises** on the order of the competent civil authority in the area relevant to those **Premises**.

Specified Diseases:

- | | | |
|------------------------|--|----------------------------------|
| • Acute encephalitis | • Malaria | • Smallpox |
| • Acute poliomyelitis | • Measles | • Tetanus |
| • Anthrax | • Meningitis | • Puerperal Fever |
| • Chickenpox | • Meningococcal infection | • Rabies |
| • Cholera | • Mumps | • Viral hepatitis |
| • Diphtheria | • Ophthalmia neonatorum | • Toxoplasmosis |
| • Dysentery | • Paratyphoid fever | • Tuberculosis |
| • Erysipelas | • Plague (bubonic, pneumonic, septicaemic) | • Typhus or Typhoid fever |
| • Legionnaires Disease | • Relapsing fever | • Viral haemorrhagic fever (VHF) |
| • Leprosy | • Rubella | • Whooping Cough |
| • Leptospirosis | • Scarlet fever | • Yellow fever |
| • Lyme Disease | | |

Provided that no cover will be given where such **Specified Disease** is or becomes epidemic, whether or not declared as such by any competent civil authority in the area relevant to those **Premises**, or declared or categorised by the World Health Organisation as a Public Health Emergency of International Concern or pandemic. Where such epidemic, Public Health Emergency of International Concern or pandemic occurs, this **Policy** provides no cover at all, including for any period of interference or interruption after the confirmation of discovery of disease but prior to such epidemic, Public Health Emergency of International Concern or pandemic.

For the purposes of this Extension of cover:

This Extension of cover does not apply to any costs or expenses incurred in:

1. Investigating, monitoring, abating, or removing any of (1)-(6) above, or thereafter; or

2. Cleaning, detoxifying, disinfecting, decontaminating the **Insured's Premises** as a result of any of (1)-(6) above.

Insured's Premises means the **Insured's Premises** as detailed in the **Schedule** and does not mean any other premises as might be deemed to be the **Insured's Premises** under any other extensions.

Indemnity Period means the period beginning with the occurrence of the restrictions on the **Premises** being applied (or in the case of (4)-(6) above with the date of discovery of that occurrence) and ending not later than the **Maximum Indemnity Period**.

Maximum Indemnity Period means 3 months.

The **Insurers'** liability under this Extension shall not exceed 133.33% of the Limit stated in the **Schedule** against this Extension but in no case exceeding £100,000 after the application of all other terms and conditions of the **Policy**. This sub-limit of liability will apply in the aggregate for the **Period of Insurance** and apply to all locations combined, not to each individually.

Prevention of Access

Damage to property within a one mile radius of the **Premises** that prevents or hinders the use of or access to the **Premises**. For the purposes of this Extension:

1. The **Maximum Indemnity Period** is three months; and
2. The most the **Insurer** will pay in any one **Period of Insurance** is the limit stated in the **Schedule** for this Extension.

There is no cover under this Extension for any loss, destruction or damage to property of any supply undertaking from which the **Insured** obtains electricity, gas, water or telecommunications services which prevents or hinders the supply of such services to the **Premises**.

Public Utilities (Electricity, Gas, Water & Telecommunications)

Property at any:

1. Generating station or sub-station of the electricity supply undertaking which provides electricity to the **Premises**;
2. Land based premises of the gas supply undertaking or of any natural gas producer linked directly therewith which provides gas to the **Premises**;
3. Waterworks or pumping station of the water supply undertaking which provides water to the **Premises**; or
4. Land based premises of the telecommunications undertaking which provides telecommunications services to the **Premises**.

This Extension excludes:

1. Any loss or failure which does not involve a cessation of supply for at least four consecutive hours in respect of electricity, gas, water or at least twenty four consecutive hours in respect of telecommunications;
2. Loss resulting from failure caused by:
 - a. the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity or telecommunications services (unless such discontinuation is due to a deliberate act of the supply authority for the sole purpose of safeguarding life or protecting any part of the supply system or a scheme of rationing due to **Damage** to the supply authority's premises);
 - b. strikes or any labour or trade dispute;
 - c. drought;

- d. other atmospheric or weather conditions but this shall not exclude failure due to **Damage** to equipment caused by such conditions;
3. Loss, damage, cost or expense resulting from an impairment in the function availability range of use or accessibility of data software or computer programmes.

The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** as stated in the **Schedule** for this Extension.

Public Utilities Terminal Ends (Gas, Water & Telecommunications)

The accidental failure of supply of gas or water at the terminal ends of suppliers feed to the **Premises** or telecommunication services at the incoming line terminals or receives at the **Premises**.

The **Insurer** will not be liable for accidental failure:

1. Caused by the deliberate act of any supply authority;
2. Caused by the exercise of any supply authority's power to withdraw or restrict supply or services;
3. Caused by industrial action;
4. Caused by drought;
5. Caused by atmospheric or other weather conditions unless the accidental failure is due to **Damage** to equipment caused by such conditions;
6. Other than in the **Territorial Limits**;
7. Caused by the failure of any satellite;
8. In respect of gas or water lasting less than 4 hours; or
9. In respect of telecommunication services 24 consecutive hours.

For the purposes of this Extension:

1. The **Maximum Indemnity Period** will be 3 months;
2. The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** as stated in the **Schedule** for this Extension.

Unlawful Occupation

Access to or use of the **Premises** being hindered or prevented due to the **Premises** or property in the vicinity of the **Premises** or any rights of way being:

1. Unlawfully occupied by third parties except in the course of a dispute between any employer and employee or group of workers;
2. Thought to contain or actually containing a harmful device provided always that the Police are immediately informed.

The **Insurer** will not be liable for any loss:

1. Arising from any cause within the control of the **Insured**;
2. Arising from **Damage to Property Insured**;
3. Which is the direct result of repairs or maintenance being carried out to property as a result of inherent defect or wear and tear; or

4. Involving prevention or hindrance of access to or use of the **Premises** of less than 12 consecutive hours duration.

For the purposes of this Extension:

1. The **Maximum Indemnity Period** will be 3 months;
2. The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** as stated in the **Schedule** for this Extension.

Terrorism Section

TERRORISM – INSURING AGREEMENT

The *Property Insurance Sections* stated as operative in the **Schedule**, are extended to include **Damage to Property Insured** in Great Britain proximately caused by an **Act of Terrorism** provided that:

1. The **Act of Terrorism** is certified by HM Treasury or a competent tribunal from time to time as an **Act of Terrorism**.
2. The insurance by this *Terrorism Section* is not subject to the General Exclusions but is otherwise subject to all the terms of conditions of the **Policy** except where expressly varied within this *Terrorism Section*.
3. The **Insurer's** liability in respect of all losses arising out of one Event and in the aggregate in any one **Period of Insurance** will not exceed the **Limit of Indemnity**.
4. In any action, suit or other proceedings where the **Insurer** alleges that any **Damage** is not covered by this *Terrorism Section* the burden of proving that such **Damage** is covered will be upon the **Insured**.
5. This *Terrorism Section* is not subject to any terms in this **Policy** that provide for adjustments of **Premium** based upon declarations on expiry.
6. Any Long Term Agreement or Undertaking applying to this **Policy** does not apply to this *Terrorism Section*.
7. This *Terrorism Section* is not subject to any provision in this **Policy** which provides for a refund of **Premium** following cancellation. In the event the **Insured** cancels coverage under this *Terrorism Section*, any paid **Premium** for this *Terrorism Section* will be deemed fully earned and retained by the **Insurer**; any outstanding unpaid **Premium** must be paid to the **Insurer**.

TERRORISM – DEFINITIONS

Notwithstanding the General Definitions of this **Policy**, the words defined below will have the following special meanings wherever they appear in bold letters within this *Terrorism Section*.

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 His Majesty's Government in the United Kingdom or any other government de jure or de facto.

Computer System means a computer or other equipment or component or system or item which processes stores transmits or receives **Data**.

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

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **Computer Systems**. **Denial of Service Attacks** include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **Computer Systems**.

Event means all individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same **Act of Terrorism**. The **Insurer** may choose the date and time when any such period of 72 hours shall commence.

Great Britain means the nations of England, Wales and Scotland, excluding adjacent territorial seas as defined by the Territorial Sea Act 1987, Northern Ireland, the Isle of Man and the Channel Islands. England includes the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury 1986.

Hacking means unauthorised access to any **Computer System** whether the property of the **Insured** or not.

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

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

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

Phishing means any access or attempted access to data or information made by means of misrepresentation or deception.

Property/Property Insured means the tangible property specified in the **Schedule** (which is itself more particularly defined in this **Policy**) that belongs to the **Insured** or the **Insured** holds in trust and for which the **Insured** is responsible but excluding:

1. Any land or building which is occupied as a private residence or any part thereof which is so occupied unless:
 - a. the remainder of the building which is not a private residence is insured under the **Policy**; or
 - b. not insured in the name of an individual.
2. Any **Nuclear Installation** or **Nuclear Reactor** and all fixtures and fittings situated thereon and attached thereto, and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **Nuclear Installation** or **Nuclear Reactor**.

Virus or Similar Mechanism means programme code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programmes, **Computer Systems**, **Data** or operations whether involving self-replication or not. The definition of **Virus or Similar Mechanism** includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer programme to damage, interfere with, adversely affect, infiltrate or monitor as above.

TERRORISM - EXCLUSIONS

The insurance by this *Terrorism Section* does not cover:

1. **Damage, Consequential Loss**, or any loss or expenditure whatsoever occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power.
2. **Damage, Consequential Loss**, or any loss or expenditure whatsoever directly or indirectly caused by contributed to, by or occasioned by or resulting from:
 - a. damage to or the destruction of any **Computer System**; or
 - b. any alteration, modification, distortion, erasure or corruption of **Data**

in each case whether the property of the **Insured** or not, where such loss is directly or indirectly caused by or contributed to, by or arising from or occasioned by or resulting from **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**.

Provided that this Exclusion 2 will not apply to **Damage** or **Consequential Loss** solely to the extent that such **Damage** or **Consequential Loss**:

- i) results directly (or, solely as regards (ii) (c) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any **Computer System**; and
- ii) comprises;
 - (a) the cost of **Reinstatement**, replacement or repair in respect of damage to or destruction of **Property Insured**; or
 - (b) the amount of business interruption loss suffered directly by the **Insured** by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of **Property Insured** or as a direct result of denial, prevention or hindrance of access to or use of **Property Insured** by reason of an **Act of Terrorism** causing damage to other **Property** within one mile of **Property Insured** to which access is affected; or
 - (c) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of **Property** and any additional costs or charges reasonably and necessarily paid by the **Insured** to avoid or diminish such loss; and
- iii) is not proximately caused by an **Act of Terrorism** in relation to which the relevant organization or any persons acting on behalf of or in connection with that organization are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.
- iv) The meaning of "**Property**" for the purposes of this Proviso shall (additionally to those exclusions in the definition of **Property**) exclude:
 - (a) any money (including **Money**) currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever; and
 - (b) any **Data**.

- v) Notwithstanding the exclusion of **Data** from **Property**, to the extent that damage to or destruction of **Property** within the meaning of subparagraph (ii) above indirectly results from any alteration, modification, distortion, erasure or corruption of **Data**, because the occurrence of one or more of the matters referred to in subparagraph (i) above results directly or indirectly from any alteration, modification, distortion, erasure or corruption of **Data**. That shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such **Property** and otherwise falling within subparagraphs (i) and (ii) above from being recoverable under the **Policy**. In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **Data** be recoverable under this the **Policy**.

For the avoidance of doubt, the burden of proof shall be on the **Insured** to prove or establish all the matters referred to in subparagraphs (i) to (ii) above.

- 3. Any loss arising under:
 - a. Marine, Aviation and Transit Policies (and the term 'Marine Policy' shall for these purposes mean marine policies and all marine business wherever written and in whatever form of policy).
 - b. Motor Insurance Policies.
 - c. Any form of reinsurance policy or agreement whatsoever provided by the **Insurer**.
 - d. Bankers Blanket Bond Policies.
 - e. Contingency policies unless written as an integral component of the **Policy**.

Specified Items All Risks Section

SPECIFIED ITEMS ALL RISKS – INSURING AGREEMENT

In the event of **Damage** to the **Property Insured** occurring within the Geographical Limits specified in the **Schedule**, the **Insurer** will indemnify the **Insured** against such **Damage** at their option by payment or by repair, reinstatement or replacement of such items but in no circumstances will the liability of the **Insurer** exceed in respect of each item the **Sum Insured** thereon or the intrinsic value thereof whichever is the lesser.

SPECIFIED ITEMS ALL RISKS – CONDITIONS

Condition of Average (Underinsurance)

The **Sum Insured** for each item in this *Specified Items All Risks Section* (except those solely for fees, rent or removal of debris) is subject to Average.

This means that if the **Sum Insured** is less than the value of the **Property Insured** at the start of any **Damage**, the **Insurer** will reduce proportionately the amount payable for such **Damage**.

SPECIFIED ITEMS ALL RISKS – EXCLUSIONS

This *Specified Items All Risks Section* does not cover:

1. **Damage** caused by:
 - a. wear and tear, moth, vermin, atmospheric or climatic conditions or any gradually operating cause;
 - b. alterations, maintenance, repairs, or any process of cleaning or restoring;
 - c. delay, confiscation or detention by order of any government or public authority;
 - d. counterfeit, substitute or foreign coins;
 - e. mechanical or electrical breakdown or derangement.
2. Breakage of electrical valves, bulbs or tubes unless forming part of the **Property Insured** and fixed therein and happening as the result of **Damage** to such **Property Insured**;
3. The contents of machines unless such contents are shown in the **Schedule**;
4. Depreciation, contamination, consequential loss or consequential **Damage** of any kind or description;
5. **Damage** consequent upon any person obtaining any **Property Insured** by deception;
6. **Damage** or unexplained shortages to the **Property Insured** from any unattended **Vehicle** owned or operated by the **Insured**, unless, at the time of such **Damage** or unexplained shortage:
 - a. all doors, windows and other means of access have been securely fastened and locked and any alarm or immobiliser switched on and made fully operational and all keys to doors, ignition or other services removed;
 - b. between the hours of 8pm to 6am, the **Vehicle** is in a securely locked building of substantial construction or placed in a compound which has secure walls or fences and securely locked gates or in a security park with a guard; and
 - c. the **Property Insured** is concealed from view in the luggage compartment.

General Liability Insurance

The **Insured** will only have cover under any *Section* of this *General Liability Insurance* if it is stated as operative in the **Schedule**. The cover granted under this *General Liability Insurance* is subject to the **Policy's General Conditions** and *General Exclusions* unless otherwise expressly stated.

GENERAL LIABILITY – EXTENSIONS

Applicable to all *Sections* of *General Liability Insurance* unless otherwise stated.

Payments made under any Extension to this *General Liability Insurance*, including any agreed by **Endorsement**, form part of the **Limit of Indemnity** for this *General Liability Insurance* as shown in the **Schedule**.

Care, Custody or Control

Under the *Public Liability Section* only, if operative, and notwithstanding the Owned Property Exclusion, the **Insurer** further agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay for **Property Damage** where that property is the personal property of any **Employee**, partner, director, officer, visitor or guest of the **Insured**, and that property is in the **Insured's** care, custody or control, if the **Property Damage** occurs in the course of the **Insured's Business**, during the **Period of Insurance** and within the **Territorial Limits**.

There is no cover under this Extension for any loss for which the **Insured** has cover under the Property Insurance of this **Policy** or other insurance.

Court Witness Attendance; Defence Preparation; Court Observers

If in the opinion of the **Insurer** the attendance of an **Employee**, partner, director or officer of the **Insured** is required to either give evidence at court or attend a mediation meeting in a claim for **Damages** for which that *Section* might provide indemnity then the **Insurer** will pay:

1. Partner, director or officer: GBP500 per day;
2. **Employee**: GBP250 per day.

Where in the opinion of the **Insurer** the attendance of an **Employee**, partner, director or officer at court as an observer and not as a witness is required, the **Insurer** will pay the sums shown below, but payment will be limited to one observer per day:

1. Partner, director or officer: GBP250 per day;
2. **Employee**: GBP125 per day.

The **Insurer** further agrees to pay the **Insured** the sums shown below if, in the opinion of the **Insurer**, time is required to be spent by an **Employee**, partner, director or officer of the **Insured** in meetings or interviews with lawyers, including conferences with Counsel, for the purpose of providing a witness statement or related activities required either for representation at a Coroner's Inquest or Fatal Accident Inquiry, or the defence of the **Insured** in a claim for **Damages** for which that *Section* might provide indemnity:

1. Partner, director or officer: GBP50 per hour;
2. **Employee**: GBP25 per hour

if the time spent by the **Employee**, partner, director or officer is certified by the lawyers with the conduct of the defence.

Indemnity to Principals

Under the *Employers' Liability* and *Public Liability Insurances* only, if operative, and notwithstanding the Contractual Liability Exclusion the **Insurer** further agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay for **Injury** or **Property Damage** to the extent required by a contract under which the **Insured** is performing work, where that **Injury** or **Property Damage** occurs directly and solely from the **Insured's** performance of that work, provided that the **Insurer** has sole conduct and control of the claim alleging such liability against the **Insured**. This Extension does not cover contractual fines, penalties or liquidated damages, warranties or guarantees or any liability for **Property Damage** where that property is, or comprises, or is to be incorporated in to, the executed contract works undertaken by the **Insured**.

Legal Costs Extension

Under the *Public Liability Section* only, if operative, the **Insurer** will pay legal costs that are reasonably and necessarily incurred with the **Insurer's** prior written consent and at the **Insured's** request by an **Employee**, partner, director or officer of the **Insured** for:

1. Representation at a Coroner's Inquest or Fatal Accident Inquiry;
2. Defending proceedings brought under Section 33(1)(a)-(c) of the Health and Safety at Work etc. Act 1974 or equivalent legislation;
3. Defending proceedings brought under Section 12 of the Consumer Protection Act 1987 or equivalent legislation; or
4. Defending proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007

subject to the following:

1. Those legal costs are incurred in proceedings that relate to **Injury** arising out of the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**; and
2. The relevant operative *Section* of this **Policy** might provide indemnity for **Damages** for that **Injury**;
3. The **Insurer** will not provide indemnity for:
 - a. fines or penalties of any kind, remedial or publicity orders or prosecution costs imposed as a consequence of such prosecution;
 - b. any circumstances for which indemnity is provided by any other insurance;
 - c. proceedings consequent upon a deliberate act by, or omission of, any person otherwise entitled to indemnity under this Extension if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission; and
 - d. proceedings that arise out of any activity or risk excluded from this **Policy**; and
4. The liability of the **Insurer** for all such legal costs and expenses will not exceed the sum of £1,000,000 for each **Occurrence**.

This Extension will not apply where, in the opinion of counsel (selected and instructed by the **Insurer**), there is no reasonable prospect of successfully defending the prosecution.

This Extension will not apply to any legal costs incurred after the date of settlement or withdrawal of the **Damages** claim related to the proceedings.

Multiple Insureds and Cross Liabilities

If the **Schedule** specifies more than one entity as comprising the **Insured**, the **Insurer** agrees to indemnify separately each entity as if individual policies had been issued, including claims for **Damages** made by one **Insured** against another **Insured**.

This does not apply to any provision relating to **Policy** limits. Any provision relating to **Policy** limits applies on the basis that there is a single **Insured**. This means that the **Insurer's Limit of Indemnity** will not increase from that shown in the **Schedule** or in the **Policy** wording for any *Section* or other provision.

GENERAL LIABILITY – DEFINITIONS

The words defined below are additional definitions for the *General Liability Sections*. The words will have the same meaning wherever they appear in bold letters within such *Sections*, the **Schedule** and **Endorsements** relating to *General Liability Insurance* and take precedence over any *General Definitions* to the contrary.

Clean Up Costs shall mean:

1. Testing for or monitoring of **Pollution or Contamination**;
2. The costs of **Remediation** required by any **Enforcing Authority** to a standard reasonably achievable by the methods available at the time that such **Remediation** commences.

Damages means compensatory damages. It does not mean:

1. That part of a damages award that results from the multiplication of compensatory damages;
2. Aggravated damages;
3. Exemplary damages; or
4. Fines, penalties or other pecuniary sanction.

Enforcing Authority shall mean any government or statutory authority or body implementing or enforcing environmental protection legislation within the **Territorial Limits**.

Injury to Land means accidental: civil trespass or damage to, or encroachment on, or other unlawful interference with, third party land, including interference with any easement or prescriptive right over that land.

Occurrence means an accidental event, or series of accidental events attributable to the same, or substantially the same, original cause or source, and includes continuous or repeated exposure to the same injurious or harmful conditions.

Personal Injury means false imprisonment, wrongful arrest or unlawful eviction.

Product means any goods manufactured, sold, supplied, hired out, modified, treated, erected, repaired, serviced, designed, tested, installed, processed, distributed or cleaned by the **Insured** within the **Territorial Limits** and which is no longer in the **Insured's** care, custody or control. **Product** also means any container, packaging, labelling or instructions for use with those goods.

Property Damage means accidental and direct physical loss of, or damage to, third party physical property and includes directly resulting loss of use of that physical property.

Remediation shall mean remedying the effects of **Pollution or Contamination** including primary complementary and compensatory actions as specified in the Environmental Damage (Prevention and Remediation) Regulations 2009.

GENERAL LIABILITY – CONDITIONS

Applicable to all *General Liability Sections* unless otherwise stated

Claims Procedure and Subrogation

The **Insurer's** liability to indemnify will only arise if the **Insured** complies with the following:

1. The **Insured** must give the **Insurer** notice of any event or circumstance that might give rise to a claim under this **Policy** as soon as reasonably practicable, with the fullest particulars the **Insured** has obtained, and must continue to provide the **Insurer** with all additional information as the **Insurer** may reasonably require;
2. The **Insured** must forward to the **Insurer** any correspondence, letter of claim, claim form, particulars of claim, writ, summons, petition, notice of impending prosecution or other similar process that relates to any event or circumstance that might give rise to a claim under this **Policy**, as soon as it is received by the **Insured**;
3. The **Insured** must not admit fault to anyone or negotiate, offer or enter into any settlement of any claim without the prior written consent of the **Insurer**; and
4. The **Insured** must permit the **Insurer**, at the **Insurer's** election, to take over the conduct and control of the defence, settlement, counter-claim or claim for contribution or indemnity, in the name of the **Insured**, and must support and cooperate with the **Insurer** to this end.

The **Insurer** may at any time pay the relevant **Limit of Indemnity** or any lesser amount necessary to settle a claim or a series of claims, including claimant costs, and will after that payment relinquish the conduct and control of the defence of that claim or claims and will have no further liability to the **Insured** for that claim or those claims, including claimant costs, or any defence costs incurred after that payment.

Cover Under Multiple Sections

Where liability arising out of an **Occurrence** is indemnified under two or more operative *Sections* of the *General Liability Insurance*, each of the *Sections* will apply separately but the total amount paid by the **Insurer** for any **Occurrence** will not exceed the greatest of the available **Limits of Indemnity** among those operative *Sections*.

Defence Costs Apportionment

Under the *Public Liability Section* only, if operative, where the amount of a claim for **Damages** against the **Insured** exceeds the **Insurer's** liability to the **Insured**, the liability of the **Insurer** to pay any legal costs to settle or defend that claim, or to recover contribution or indemnity from another party, will be in proportion to the **Insurer's** share of the total **Damages** awarded or settled.

Personal Protective Equipment

It is a condition of cover that:

1. All **Employees** are made aware of the dangers of not using personal protective equipment;
2. Personal protective equipment is provided to **Employees** by the **Insured**; and
3. A register is maintained that demonstrates that **Employees** have received appropriate training, and are fully conversant with, the way in which to access such personal protective equipment.

Sub-Contractors

It is a condition precedent to liability that the **Insured** will take all reasonable steps to ensure all sub-contractors have Employers' Liability and Public Liability insurances for liability at law for **Injury** and **Damage** to property arising in connection with the **Business** and that:

1. The **Limit of Indemnity** of the *Public Liability Section* will not be less than the **Limit of Indemnity** provided by this **Policy** for any **Occurrence**; and
2. Such insurances have been extended to indemnify the **Insured** as principal against all liability for such **Injury** and **Property Damage** to property.

GENERAL LIABILITY – EXCLUSIONS

Applicable to all *General Liability Sections* unless otherwise stated

Aircraft, Spacecraft, Hovercraft and Watercraft

Any liability arising out of the ownership, possession, control or use by the **Insured** or on the **Insured's** behalf of any aircraft, spacecraft, hovercraft or watercraft except:

1. Manually propelled watercraft; or
2. Watercraft of less than 26ft

but only when operated within inland waterways or territorial waters.

Asbestos

Any liability directly or indirectly arising out of the manufacturing, mining, processing, distributing, installing, testing, remediating, removing, stripping-out, demolishing, storing, transporting, disposing, selling or use of, or exposure to, asbestos or materials containing asbestos.

Contract Works

Any liability arising out of **Property Damage** where that property is or comprises, or is to be incorporated into, the executed contract works undertaken by the **Insured**.

Contractual Liability

Any liability assumed under a contract or agreement, including liability to pay liquidated damages, penalty clauses, contractual fines, or liability by virtue of warranties, guarantees or indemnities. However, this does not apply to the Indemnity to Principals or Leased or Rented Premises Extensions, if operative.

Cyber Related Liability

The **Insurer** will not indemnify any liability arising out of the compromise of the confidentiality, availability, functionality, or integrity of electronic data or information, or digital services, arising out of the use of any information and communication technology (ICT) network or system such as the internet and telecommunication networks (including the inability to use such ICT network or system due to its inoperability or malfunction).

Applicable to the *Public Liability Section* unless otherwise stated

Notwithstanding any other terms of this **Policy** to the contrary, no *General Liability Section* will indemnify the **Insured** for:

Employees

Any liability for **Injury** to an **Employee** arising out of that **Employee's** employment in the **Insured's Business**.

Epidemics and W.H.O. Declarations

1. An outbreak of a disease that becomes an epidemic whether or not declared to be an epidemic by any competent civil authority;

2. An outbreak of a disease declared or categorised by the World Health Organisation as a pandemic; or
3. A Public Health Emergency of International Concern as declared by the World Health Organisation.

For the avoidance of doubt, where an epidemic, pandemic or Public Health Emergency of International Concern occurs, the **Insurer** will not indemnify any such liability whether arising in the period prior to and following such epidemic, pandemic or Public Health Emergency of International Concern occurring or being declared.

Foreign Judgements

The **Insurer** will not indemnify any liability to pay **Damages** awarded in legal proceedings brought against the **Insured** in any country outside the **Territorial Limits**. This Exclusion also applies to proceedings within the **Territorial Limits** to enforce, or which are based on, a claim brought outside the **Territorial Limits**.

This Exclusion does not apply to:

1. The Overseas Personal Liability Extension in the *Public Liability Section*; or
2. The Work Abroad Extension in the *Public Liability Section*.

Mechanically Propelled Vehicles

Any liability arising out of the ownership, possession, control or use by the **Insured** or on the **Insured's** behalf, of any vehicle, mechanically propelled vehicle or mobile plant, including any trailer ordinarily attached to that vehicle or plant which is required by any road traffic legislation to be the subject of compulsory insurance or other security. This Exclusion does not apply to liability arising out of the loading or unloading of any vehicle, plant or trailer.

However, this does not apply to the Motor Contingent Liability Extension, if operative.

Offshore

The **Insurer** will not indemnify any liability for **Injury** or any other loss sustained by any person **Offshore**.

If the **Insurer** is required by compulsory insurance regulations to make a payment for **Injury** occurring **Offshore** then the **Limit of Liability** is £5,000,000 any **Occurrence**.

Owned Property

Any liability for any **Property Damage** where that property is owned by or rented, hired, leased, loaned to or borrowed by the **Insured** or is held in trust by the **Insured** or otherwise in the **Insured's** care, custody and control. This Exclusion does not apply to property temporarily occupied by the **Insured** for the purpose of carrying out work on that property, in the course of the **Insured's Business**.

However, this does not apply to the Care, Custody and Control or Leased or Rented Premises Extensions if operative.

Pollution

Any liability arising out of **Pollution**.

Products

Any liability arising out of any **Product**.

Professional duties, advice and services

Any liability arising out of any breach of professional duty, or any provision of, or failure to provide, professional advice or services, designs, specifications, inspection, certification, formulae, plans, directions, surveys or testing, by the **Insured** for a fee, or in circumstances where a fee would normally be charged.

Employers' Liability Section

EMPLOYERS' LIABILITY – INSURING AGREEMENT

The **Insurer** agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay, including related claimant costs awarded, for **Injury** sustained by an **Employee**, arising out of and in the course of employment in the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**.

The **Insurer** agrees to pay legal costs reasonably and necessarily incurred by or on behalf of the **Insured**, with the **Insurer's** prior written consent, to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** that might be indemnified under this *Section*.

Limits of Indemnity

The **Limits of Indemnity** under this *Section* are those shown in the **Schedule** and include all claimant costs awarded and legal costs incurred. The limits apply irrespective of the number of:

1. Claims against the **Insured**; or
2. Parties or entities being indemnified under this *Section*

arising out of an **Occurrence** that causes **Injury**.

Notwithstanding the above, the **Insurer's** liability under this *Employers' Liability Section* will not exceed £5,000,000 in any one **Period of Insurance** for any claims directly or indirectly resulting from **Terrorism**.

EMPLOYERS' LIABILITY – EXTENSIONS

Unless otherwise stated, all terms of this **Policy** apply to the Extensions of cover that follow. Some Extensions may be subject to a sub-limit as shown in the **Schedule**. Payments made under any Extension to this *Section*, including any agreed by **Endorsement**, form part of the **Limit of Indemnity** for this *Section* as shown in the **Schedule**.

Acquisitions

Any company newly created or acquired by the **Insured** for a maximum period of ninety (90) days from the date of creation or acquisition, if:

1. All terms of this **Policy** apply to that company as they do to the **Insured** to the fullest extent possible;
2. The company's business activities are substantially the same as the **Insured's Business** as shown in the **Schedule** and defined within the **Policy**;
3. The forecast for the newly created company's first year's payroll, or in the case of an acquired company, its payroll in the year immediately prior to acquisition, does not exceed ten per cent (10%) of the **Insured's** annual payroll; and
4. The **Insured** notifies the **Insurer** of this creation or acquisition and provides the **Insurer** with all relevant risk information as soon as reasonably practicable, but not later than ninety (90) days from the date of creation or acquisition.

Legal Costs

Legal costs reasonably and necessarily incurred with the **Insurer's** prior written consent for an **Employee**, partner, director or officer of the **Insured** for:

1. Representation at a Coroner's Inquest or Fatal Accident Inquiry;
2. Defending proceedings brought under Section 33 (1)(a)-(c) of the Health and Safety at Work etc. Act 1974 or equivalent legislation; or
3. Defending proceedings brought under Section 12 of the Consumer Protection Act 1987 or equivalent legislation.

The cover that is available under this Extension is on the basis that:

1. Those legal costs are incurred in proceedings that relate to **Injury** sustained by an **Employee**, arising out of and in the course of employment in the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**; and
2. This *Section* would indemnify the **Insured** for **Damages** for that **Injury**.

This Extension will not apply where, in the opinion of counsel (selected and instructed by the **Insurer**), there is no reasonable prospect of successfully defending the prosecution. This Extension will not apply to any legal costs incurred after the date of settlement or withdrawal of the **Damages** claim related to the proceedings.

Overseas Work

Damages the **Insured** becomes legally liable to pay, including related claimant costs awarded, for **Injury** sustained by an **Employee**, arising out of and in the course of employment in the **Insured's Business**, caused during the **Period of Insurance** and outside the **Territorial Limits**, if:

1. The claim for **Damages** is brought in a court within the **Territorial Limits**; and
2. The **Employee** was outside the **Territorial Limits** temporarily for a period not exceeding one hundred and eighty (180) days and engaged in exclusively clerical, supervisory or managerial work in that time.

Unsatisfied Judgments

At the request of the **Insured**, that part of any award of **Damages** obtained by an **Employee** against another party, or their personal representative, that remains unpaid six months from the date of judgment, if:

1. The award of **Damages** is for **Injury** sustained by that **Employee**, arising out of and in the course of employment in the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**;
2. Judgment is given by a court within the **Territorial Limits**;
3. No appeal is outstanding;
4. All reasonable steps have been taken to enforce judgment;
5. Judgment is assigned to the **Insurer** after payment;
6. The assignor provides all information and assistance as the **Insurer** may reasonably require; and
7. The **Insured** would have been indemnified under this *Section* if **Damages** had been awarded against the **Insured**.

EMPLOYERS' LIABILITY – CONDITIONS

Right of Recovery

The indemnity provided by this *Section* is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the jurisdictions within the **Territorial Limits** but the **Insured** must repay to the **Insurer** all sums paid by the **Insurer** that the **Insurer** would not have been liable to pay but for the provisions of that law.

EMPLOYERS' LIABILITY – EXCLUSIONS

This *Employers' Liability Section* does not cover:

Road Traffic Legislation

Any liability for **Injury** or any other loss sustained by an **Employee**, or any other person, for which compulsory motor insurance is required by the relevant road traffic legislation or other laws of the place that comprises the **Territorial Limits**.

Public Liability Section

PUBLIC LIABILITY – INSURING AGREEMENT

The **Insurer** agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay, including related claimant costs awarded, for:

1. **Injury**; or
2. **Injury to Land**; or
3. **Personal Injury**; or
4. **Property Damage**

occurring during the **Period of Insurance** and within the **Territorial Limits**, arising out of and in the course of the **Insured's Business**.

In addition, the **Insurer** agrees to pay legal costs reasonably and necessarily incurred by or on behalf of the **Insured**, with the **Insurer's** prior written consent, to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** that might be indemnified under this *Public Liability Section*.

Limits of Indemnity

The **Limits of Indemnity** under this *Section* are those shown in the **Schedule** and include claimant costs awarded. The limits apply irrespective of the number of:

1. Claims against the **Insured**; or
2. Parties or entities being indemnified under this *Section*

arising out of an **Occurrence** that causes **Injury**, **Injury to Land**, **Property Damage** or **Personal Injury**.

The **Insurer's** liability under this *Section* to pay legal costs incurred by or on behalf of the **Insured** to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** will be in addition to the **Limits of Indemnity** but will be subject to the Defence Costs Apportionment Condition in the General Conditions in the *General Liability Insurance*.

Notwithstanding the paragraphs above, any sub-**Limit of Indemnity** under this *Section* shown in the **Schedule** for **Personal Injury** is the most the **Insurer** will pay for each **Occurrence** and in the aggregate for all claims for **Personal Injury** occurring during the **Period of Insurance**. The sub-**Limit of Indemnity** for **Personal Injury** will be part of and not in addition to the **Limit of Indemnity** for this *Section*.

PUBLIC LIABILITY – EXTENSIONS

Some extensions may be subject to a sub-limit as shown in the **Schedule**. Payments made under any extension to this *Section*, including any agreed by **Endorsement**, form part of the **Limit of Indemnity** for this *Section* as shown in the **Schedule**.

Data Protection

Compensation the **Insured** becomes liable to pay under article 82 of the UK General Data Protection Regulation, for material or non-material damage, suffered by a third party, arising out of and in the course of the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits** if:

1. The **Insured** is a data controller, as defined in article 4(7) of the UK General Data Protection Regulation, subject to Section 6(1)(a) of the Data Protection Act 2018, and has paid the relevant fee under the Data Protection (Charges and Information) Regulations 2018;
2. Material or non-material damage was not caused by a deliberate or intentional act by, or omission of, the **Insured**, the effect of which the **Insured** knew or ought reasonably to have known would result in liability under the UK General Data Protection Regulation;
3. The costs of replacing, reinstating, rectifying or erasing any personal data, or costs incurred in relation to a compliance order is excluded from this extension;
4. Liability does not arise as a result of the provision by the **Insured** of the services of a data processor, as defined by article 4(8) of the UK General Data Protection Regulation, but not including a processor within the meaning of Section 6(2) of the Data Protection Act 2018, or the recording or provision of data for reward or for determining the financial status of any person; and
5. The **Limit of Indemnity** will not exceed one million pounds (GBP1,000,000) during the **Period of Insurance**.
6. In addition, the **Insurer** agrees to indemnify the **Insured** for legal costs reasonably and necessarily incurred with the **Insurer's** prior written consent for defending proceedings brought against the **Insured** under article 79(1) of the UK General Data Protection Regulation where the claimant alleges breach of article 82; any amount paid for these legal costs forms part of the **Limit of Indemnity**, which is shown at paragraph 5 of this Extension; and
7. The **Insurer** will not provide indemnity:
 - a. for the first 10 per cent of each claim subject to a minimum payment by the **Insured** of £500 and a maximum payment by the **Insured** of £5,000; or
 - b. against liability caused by, or arising from, any incident or circumstances known to the **Insured** at inception which may give rise to a claim.

The Cyber Related Liability Exclusion does not apply to the cover provided by this Data Protection Extension.

Defective Premises Act 1972

Damages the **Insured** becomes liable to pay under Section 3 of the Defective Premises Act 1972, for **Injury** or **Property Damage** occurring during the **Period of Insurance**, which results from premises that have been disposed of by the **Insured** within the **Territorial Limits** and that were previously owned or occupied in connection with the **Insured's Business**, provided that:

1. The **Insurer** will not indemnify any costs incurred in removing, re-building, repairing, rectifying or replacing the premises or part of the premises;
2. The liability is not more specifically insured under other insurance; and
3. The liability arises for **Injury** or **Property Damage** occurring exclusively after disposal by the **Insured**.

Environmental Clean Up Costs

This *Public Liability Section* extends to indemnify the **Insured** in respect of all sums including statutory debts that the **Insured** is legally liable to pay in respect of **Clean Up Costs** arising from environmental damage caused by

Pollution or Contamination where such liability arises under an environmental directive statute or statutory instrument.

Provided always that:

1. Liability arises from **Pollution or Contamination** caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**. All **Pollution or Contamination** which arises out of one incident will be deemed to have occurred at the same time such incident takes place;
2. The **Insurer's** liability under this Extension will not exceed £1,000,000 for any one occurrence and in the aggregate in any one **Period of Insurance** and will be the maximum the **Insurer** will pay inclusive of all costs and expenses. This limit will form part of and not be in addition to the **Limit of Liability** stated in the **Schedule**;
3. Immediate loss prevention or salvage action is taken and the appropriate authorities are notified;
4. The **Insurer** will be under no liability:
 - a. in respect of:
 - i) **Clean Up Costs** for damage to the **Insured's** land, premises, watercourse or body of water whether owned, leased, hired, tenanted or otherwise in the **Insured's** care, custody or control;
 - ii) removal of any risk of an adverse effect on human health on the **Insured's** land, premises, watercourse or body of water whether owned, leased, hired, tenanted or otherwise in the **Insured's** care custody or control;
 - iii) costs in achieving an improvement or alteration in the condition of the land, atmosphere or any watercourse or body of water beyond that required under any relevant and applicable law or statutory enactment at the time **Remediation** commences;
 - iv) costs for prevention of imminent threat of environmental damage where such costs are incurred without there being **Pollution or Contamination** caused by a sudden, identifiable, unintended and unexpected incident;
 - v) costs for the reinstatement or reintroduction of flora or fauna; or
 - vi) fines or penalties of any kind
 - b. for damage:
 - i) connected with pre-existing contaminated property;
 - ii) resulting from an alteration to subterranean stores of groundwater or to flow patterns;
 - iii) which is covered by a more specific insurance policy; or
 - iv) caused deliberately or intentionally by the **Insured** or where they have knowingly deviated from environmental protection rulings or where the **Insured** has knowingly omitted to inspect maintain or perform necessary repairs to plant or machinery for which they are responsible;
 - c. caused by:
 - i) the ownership or operation on behalf of the **Insured** of any mining operations or storage treatment or disposal of waste or waste products other than caused by composting purification or pre-treatment of waste water;
 - ii) persons aware of the defectiveness or harmfulness of products they have placed on the market or works or other services they have performed;

- iii) disease in animals belonging to or kept or sold by the **Insured**; or
- iv) a succession of several events where such individual event would not warrant immediate action.

Leased or Rented Premises

Damages the **Insured** becomes legally liable to pay, for **Property Damage** sustained by a third party where that property is premises, within the **Territorial Limits**, occupied by the **Insured** under a lease, tenancy or licence agreement, where that **Property Damage** is caused during the **Period of Insurance** and arises out of and in the course of the **Insured's Business**.

This Extension will not apply to any **Damages** for liability:

1. Assumed under the lease, tenancy or licence agreement unless that liability would have attached in the absence of such an agreement;
2. Arising out of a peril against which insurance is required to be effected under the lease, tenancy or licence agreement, or by law, regulation or commercial custom, whether for or on behalf of the **Insured**, or not; and
3. Arising out of a breach of any term, condition or warranty of any otherwise applicable insurance policy.

Legionellosis

It is agreed that the **Pollution or Contamination** Exclusion will not apply to any discharge release or escape of Legionella or other airborne pathogens from water tanks, water systems air conditioning plants cooling towers and the like.

All **Pollution and Contamination** which arises out of or as a consequence of any discharge release or escape of Legionella or other airborne pathogens from water tanks water systems air conditioning plants cooling towers and the like will be deemed to have occurred on the date that the **Insured** first becomes aware of circumstances which have given rise to such **Pollution or Contamination**.

This Extension will not apply to any claim arising from **Pollution or Contamination**:

1. Which arises out of or as a consequence of any discharge release or escape of Legionella or other airborne pathogens from water tanks water systems air conditioning plants cooling towers and the like if before the current **Period of Insurance** the **Insured** had become aware of circumstances which have given or may give rise to such **Pollution or Contamination**; or
2. If the **Insured** is at the time of loss in breach of their statutory obligations in respect of the maintenance and cleaning of such equipment.

The liability of the **Insurer** for all compensation payable in respect of all **Pollution or Contamination** including the indemnity provided by this Extension which is deemed to have occurred during the **Period of Insurance** will not exceed £1,000,000 in the annual aggregate.

Provided always that the total liability of the **Insurer** to pay compensation will not exceed the **Limit of Liability**.

Motor Contingent Liability

Damages the **Insured** becomes legally liable to pay for accidental **Injury** or **Property Damage** sustained by a third party, arising out of the use of any vehicle mechanically propelled vehicle or plant in the course of the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**, if:

1. The claim for **Damages** is brought in a court within the **Territorial Limits**;
2. The vehicle or plant is not:

- a. owned by or rented, hired, leased or loaned to, or borrowed by, the **Insured**;
- b. otherwise covered under a policy specifically arranged by the **Insured**, or a policy under which the **Insured** is entitled to indemnity, for the same **Injury** or **Property Damage**;
- c. used by the **Insured**;
- d. used with the general consent of either the **Insured** or the **Insured's** representative (which includes any manager, director, officer or employee), by a person who the **Insured** or the representative knows, or ought reasonably to have known, was not licensed to use that vehicle or plant; or
- e. engaged in racing, pace making, reliability trials or speed testing.

The **Insurer** will not indemnify any liability for **Property Damage** where that damage is to the vehicle or plant itself, or to goods contained or carried inside, except where that damage arises out of loading or unloading.

Motor Vehicles Tool of Trade Risk

Liability caused by or arising from:

1. The use of plant as a tool of trade at the **Premises** or on any site at which the **Insured** is working;
2. The loading or unloading of any vehicle or the bringing to or taking away of a load from any vehicle; or
3. **Damage** to any building, bridge, weighbridge, road or to anything beneath, caused by vibration or by the weight of any vehicle or its load

within the **Territorial Limits** including transits except that the **Insurer** will not provide indemnity against liability for which:

1. Compulsory insurance or security is required under any legislation governing the use of the vehicle; or
2. Indemnity is provided by any other insurance.

Movement of Obstructing Vehicles

Notwithstanding Exclusion (5) (a) of this *Public Liability Section* the **Insurer** will within the terms of this *Public Liability Section* indemnify the **Insured** for 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 **Employee** with the **Insured's** permission whilst such **Vehicle** is being moved for the purpose of allowing free movement of any **Vehicles** or pedestrians.

Provided that:

1. Movements are limited to **Vehicles** parked on or obstructing the **Insured's** premises or any site at which the **Insured** is working; and
2. The **Vehicle** causing obstruction will not be driven by any person unless such person is competent to drive the **Vehicle**; and
3. The **Vehicle** causing obstruction is driven by use of the owner's ignition key; and
4. The **Insurer** will not provide indemnity against liability:
 - a. in respect of **Damage** to such **Vehicle**; or
 - b. in respect of which compulsory insurance or security is required under any legislation governing the use of the **Vehicle**.

Overseas Personal Liability

Damages that any **Employee**, partner, director or officer of the **Insured**, or the spouse of that person accompanying them becomes legally liable to pay for **Injury** or **Property Damage** sustained by a third party, arising out of personal activities while temporarily outside the **Territorial Limits** for up to 90 days in the course of the **Insured's Business**, caused during the **Period of Insurance**, but excepting any liability arising from the ownership or occupation of any land or buildings if:

1. Any person entitled to indemnity under this Extension acts as though they were the **Insured** and subject to the terms and conditions of this **Policy** insofar as they can apply;
2. Nothing in this Extension will increase the liability of the **Insurer** to pay any amount exceeding the **Limit of Liability** regardless of the number of persons claiming to be indemnified;
3. The **Insurer** will not provide indemnity against:
 - a. liability for which indemnity is provided by any other insurance;
 - b. liability for **Damage** to property belonging to, or in the custody, or under the control of, any person entitled to indemnity under this Extension; or
 - c. liability for **Injury** to any person entitled to indemnity under Extension; or
 - d. liability caused by or arising from:
 - i) the ownership or occupation of land or buildings;
 - ii) the carrying on of any business, profession, trade or employment; or
 - iii) the ownership, possession or use of animals other than domestic dogs or cats.

Work Abroad

Damages that any **Employee**, partner, director or officer of the **Insured** becomes legally liable to pay to a third party:

1. In any member state of the European Economic Area where such **Employee**, partner, director or officer is temporarily engaged for the purposes of the **Business**; and
2. Anywhere in the world where such **Employee**, partner, director or officer is temporarily engaged in administrative, clerical or supervisory work for the purposes of the **Business**.

There is no cover available under this Extension for:

1. **Employees**, partners, directors or officers of the **Insured** that are not ordinarily resident within the **Territorial Limits**;
2. Legal liability assumed by agreement that would not have attached in the absence of such agreement; or
3. Legal liability arising from manual work outside of the European Economic Area.

PUBLIC LIABILITY – EXCLUSIONS

The **Insurer** will not indemnify the **Insured** under this *Public Liability Section* against liability:

1. For **Damage** to property belonging to the **Insured** or in the custody or control of the **Insured** or of any **Employee** other than personal effects (including any **Vehicle** and its contents) of **Employees** or visitors;
2. Arising out of **Damage** to property (including its contents) where that property is owned, rented, hired, let, loaned or borrowed by the **Insured** unless such property is temporarily occupied by the **Insured** for the purpose of carrying out work on that property;

3. Arising out of **Damage** to property which comprises or is to be incorporated into executed contract works undertaken by the **Insured**;
4. In respect of **Injury** sustained by an **Employee** arising out of that **Employee's** employment in the **Business**;
5. Arising from the ownership, possession, or use, under the control of the **Insured** or of any **Employee** of the **Insured**, of:
 - a. any mechanically propelled **Vehicle**, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation, or where indemnity is provided by any other policy or security; or
 - b. any craft intended to travel through air or space, or other aerial devices, hovercraft or watercraft (other than hand propelled watercraft or sailing craft not exceeding six metres in length);
6. Caused by any **Products**;
7. That attaches by virtue of any express contract, agreement, warranty, indemnity, waiver or guarantee unless liability would have attached to the **Insured** in the absence of such express contract, agreement, warranty, indemnity, waiver or guarantee; or
8. Arising from professional advice given, separately for a fee or other remuneration, by the **Insured** or by anyone on the **Insured's** behalf or in circumstances where a fee would normally be charged.

Commercial Legal Protection Section

This Section of the Policy is provided by ARAG plc on behalf of the **insurer**.

ARAG plc is authorised and regulated by the Financial Conduct Authority (FRN452369). Registered Address: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. Registered in England. Company Number 02585818.

ARAG plc is authorised to administer this insurance on behalf of the insurer ARAG Legal Expenses Insurance Company Limited.

ARAG Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority. Registered Address: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. Registered in England and Wales. Company Number 103274.

How to contact us about your insurance policy

TO MAKE A CLAIM

Telling us about your claim

1. If an **insured** needs to make a claim, they must notify **us** as soon as possible.
2. Where **you** are claiming under Part A, **you** must have correctly issued the necessary notices informing **your** tenant of **your** intention to repossess the **insured property**. (Section 8 and Section 21 notices to repossess residential property and covering letters can be downloaded from **our** Landlords' legal services website).
3. If an **insured** instructs their own solicitor or accountant without telling **us**, they will be liable for costs that are not covered by this policy.
4. A claim can be made online at www.arag.co.uk/newclaims. Alternatively, an **insured** can obtain a claim form by downloading one at www.arg.co.uk/newclaims or by calling **us** on **0330 303 1955** between 9am to 5pm weekdays (except bank holidays).
5. The completed claim form and supporting documentation can be submitted online or sent to **us** by email, or post. Further details are set out on **our** website.

What happens next?

1. **We** will send the **insured** an acknowledgment by the end of the next working day after receiving their claim.
2. Within five working days of receiving all the information needed to assess the availability of cover under the policy, **we** will write to the **insured** either:
 - a. confirming cover under the terms of this policy and advising the **insured** of the next steps to progress their claim; or
 - b. if the claim is not covered, **we** will explain in full the reason why and advise whether **we** can assist in another way.
3. When a representative is appointed they will try to resolve the **insured's** dispute without delay, arranging alternative dispute resolution, such as mediation, whenever appropriate.
4. **We** will check on the progress of the **insured's** claim with the **appointed advisor** from time to time. Sometimes matters cannot be resolved quickly, particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

How to contact us for advice

We record and monitor calls for training purposes, to improve the quality of **our** service, to help **us** deal with queries or complaints from **you** and to prevent and detect fraud and financial crime. All helplines are subject to fair and reasonable use. The level of fair usage will depend on individual circumstances. However, if **our** advisors consider that **your** helpline usage is becoming excessive, they will tell **you**. If following that warning, usage is not reduced to a more reasonable level, **we** can refuse to accept further calls.

Legal and tax advice 0344 571 7978

If **you** have a legal or tax problem relating to **your business**, **we** recommend **you** call **our** confidential legal and tax advice helpline. Legal advice is available 24 hours a day, 365 days of the year, and tax advice is available between 9am and 5pm on weekdays (except bank holidays).

We give advice about UK tenancy law, business-related legal matters within UK and EU law and tax matters within the UK. **Your** query will be dealt with by a qualified specialist who is experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

Redundancy assistance 0330 303 1955

If **you** are planning redundancies and need extra legal support, **we** can arrange specialist consultancy assistance for **you**. Redundancy assistance will help **you** to implement a fair selection process and ensure that the redundancy notices are correctly served. The service offers document review and telephone or written advice and is subject to a charge. If **you** would like **us** to arrange Redundancy assistance, please call **us** between 9am and 5pm on weekdays (except bank holidays).

Executive suite – identity theft resolution 0333 000 2083

This service is available to the principal, executive officers, directors and partners of the **business** between 9am and 5pm on weekdays (except bank holidays). **We** provide telephone advice to help executives keep their personal identity secure. Where identity theft is suspected, **our** specialist caseworkers can help the victim to restore their credit rating and correspond with their card issuer, bank or other parties. Identity theft expenses are insured under Part B **Executive Suite c** when **your** executives use this helpline.

Crisis communication 0344 571 7964

Following an event that has attracted negative publicity which could affect **your business**, **you** can access professional public relations support from **our** Crisis communication experts. This service is available 24 hours a day, 365 days of the year. In advance of any actual adverse publicity, where possible, initial advice for **you** to act upon will be provided over the phone. If **your** circumstances require professional work to be carried out at that time, **we** can help on a consultancy basis and subject to you paying a fee.

Where an event has led to actual publicity online, in print or broadcast, that could damage **your business**, **you** are insured against the costs of crisis communication services under **Crisis Communication** when **you** use this helpline.

Counselling assistance 0333 000 2082

Our qualified counsellors will provide free confidential support and advice by phone to **your** employees or their family members who are suffering from emotional upset or feeling worried and anxious about a personal or work-related problem. This service is available 24 hours a day, 365 days of the year. Calls to the Counselling assistance will not be monitored.

How to access Landlords' and Business Legal Services

www.araglegal.co.uk

Getting started

When **you** register to use the website **you** will need to enter voucher code X1232KC79BB5 for Business documents and voucher code EC426C378CB8 for Landlords' documents. Once you have registered **you** can access the website

at any time to create and securely store your legal documents. **You** can visit our website to see a video about this service.

More help?

If **you** have problems using the website please contact **our** digital technical support team. Contact details can be found on the website. **Our** digital technical support team cannot give **you** legal or insurance advice.

Commercial Legal Protection Section – Cover

For claims under the Sub-sections of cover, the **insurer** will pay **legal costs & expenses** including the cost of appeals (and compensation awards under Part B **Employment Compensation Awards**), up to the policy limits stated below subject to all the following requirements being met.

- 1 **You** have paid the insurance premium.
- 2 The **insured** keeps to the terms of this policy and cooperates fully with **us**.
- 3 Unless otherwise stated in this policy, the events shown in Part B arise in connection with **your business**.
- 4 The event occurs within the **territorial limits**.
- 5 The claim
 - a always has **reasonable prospects of success** and
 - b is reported to **us**
 - i) during the **period of insurance** and
 - ii) as soon as the **insured** first becomes aware of circumstances which could give rise to a claim.

Where **you** have a disagreement with a tenant of **your insured property you** must notify **us** within 60 days of first becoming aware of the dispute.
- 6 Unless there is a conflict of interest, the **insured** always agrees to use the **appointed advisor** chosen by **us**
 - a in any claim to be heard by an Employment Tribunal and/or
 - b before proceedings have been or need to be issued.
- 7 Any dispute will be dealt with through mediation or by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body within the **territorial limits**.

We consider that a claim has been reported to **us** when **we** have received the **insured's** fully completed claim application.

Policy Limits

The most the **insurer** will pay for all claims related by time or originating cause including the cost of appeals shall be limited to the following:

Part A Sub-sections of cover:

- £50,000.

Part B Sub-sections of cover:

- £25,000 for **Executive Suite d** and **e** and **Crisis Communication**.
- £100,000 for all other Sub-sections of cover.

In respect of Part B **Employment Compensation Awards**, the most the **insurer** will pay for all claims notified to **us** during any one **period of insurance** is £1,000,000.

Commercial Legal Protection Section – Part A Sub-sections of cover

Property Damage, Nuisance & Trespass

What is covered?

- a An event which causes physical damage to **your insured property** and/or anything owned by **you** at **your insured property**. Provided that if the **insured property** is used as holiday accommodation:
 - i) **you** can provide a detailed inventory of its condition and contents which has been signed by **your guest(s)** and
 - ii) a dilapidations deposit has been paid in cash or payment has cleared in **your** bank account.
- b A public or private nuisance or a trespass relating to **your insured property**.

What is not covered?

- 1 The first £250 of any claim in respect of **b** except where **you** bring a claim against a person who is living at **your insured property** without **your** permission (i.e. squatters). **You** will have to pay this as soon as **we** accept **your** claim.
- 2 Any claim arising from or relating to:
 - a Damage or loss arising from a contract between **you** and a third party who is not:
 - i) **your** tenant or ex-tenant; or
 - ii) a guest or guests staying at **your insured property** that **you** have let out as holiday accommodation
 - b the compulsory purchase of, or demolition, restrictions, controls or permissions placed on land or property by any government, local or public authority
 - c a dispute with any party other than the party who caused the damage, nuisance or trespass
 - d any nuisance or trespass claim in respect of **b** that arises from a contract, lease, licence or **tenancy agreement** between **you** and the third party (including trespass by **your** ex-tenant).

Repossession of Residential Property

What is covered?

Pursuit of **your** legal rights to repossess **your insured property** that has been let under a **tenancy agreement** provided **you**:

- a have demanded rent in writing from **your** tenant as soon as it is overdue and can provide evidence of this
- b have given the tenant the correct notices for the repossession of **your insured property**
- c are seeking a right of possession in England, Wales or Scotland where the court **MUST** find that the named ground of possession applies or
- d have a legal right to repossess **insured property** that has been let in accordance with the Private Tenancies (Northern Ireland) Order 2006.

What is not covered?

Any claim in England, Wales and Scotland where **you** are seeking a right of possession where the court **MAY** find that the named ground of possession applies.

Commercial Lease Disputes

Pursuit or defence of **your** legal rights arising from a dispute with **your** business tenant under the terms of a written lease agreement in relation to **your insured property** which is:

- a granted under the Landlord & Tenant Act 1954 provided that where the dispute arises from or relates to renewal of **your** lease agreement or the granting of a new business tenancy:
 - i) **you** will be opposing **your** tenant's right to renew the tenancy under Section 30(1) of the Landlord and Tenant Act 1954; and
 - ii) **you** can evidence that **you** have served the correct legal notice to terminate on the tenant in the prescribed form before **your** tenant has served **you** with a request for a new tenancy, or
- b contracted out of the Landlord & Tenant Act 1954 provided that:
 - i) **you** have correctly served the necessary legal notice on **your** tenant and
 - ii) **your** tenant has made the relevant declaration and
 - iii) the lease is noted accordingly.

What is not covered?

Any dispute that arises from or relates to a disagreement with **your** tenant over payment or non-payment of service charges; or recovery of rent arrears that is otherwise covered by Part A **Recovery of Rent Arrears**.

Recovery of Rent Arrears

Pursuit of **your** legal right to recover rent owed to **you** by:

- a **your** residential or business tenant or ex-tenant of **insured property**
- b a guest or guests staying at **your insured property** which is used as holiday accommodation.

Holiday Homes Contract Disputes

A dispute that arises from:

- a a written agreement which **you** have entered into to let out **your insured property** as holiday accommodation that is not otherwise covered by Part A **Property Damage, Nuisance & Trespass** or **Recovery of Rent Arrears**
- b a contract **you** have entered into to buy or hire goods or services for the **insured property** which **you** have let or intend to let to guests as holiday accommodation.

What is not covered?

Any claim arising from or relating to:

- 1 goods or services which exceed £6,000 (including VAT) in value
- 2 loans and mortgages
- 3 an employment contract
- 4 a settlement due under an insurance policy.

Commercial Legal Protection Section – Part B Sub-sections of cover

Employment

What is covered?

A dispute between **you** and **your employee**, ex-**employee**, or a prospective **employee**, arising from a breach or an alleged breach of their

- a contract of service with **you**

- b related legal rights.

You can claim under the policy as soon as all internal procedures as set out in the

- i) ACAS Code of Practice for Disciplinary and Grievance Procedures, or
 - ii) Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland
- have been or ought to have been concluded.

What is not covered?

Any claim arising from or relating to:

- 1 the pursuit of an action by **you** other than an appeal against the decision of a court or tribunal
- 2 actual or alleged redundancy that is notified to **employees** within 180 days of the start of this policy, except where **you** have had equivalent cover in force up until the start of this policy
- 3 costs **you** incur to prepare for an internal disciplinary hearing, grievance or appeal
- 4 a pension scheme where actions are brought by ten or more **employees** or ex-**employees**.

Employment Compensation Awards

What is covered?

Following a claim **we** have accepted under Part B **Employment**, the **insurer** will pay any

- a basic and compensatory award or
- b an amount agreed by **us** in settlement of a dispute.

Provided that compensation is:

- i) agreed through mediation or conciliation or under a settlement approved by **us** in advance or
- ii) awarded by a tribunal judgment after full argument unless given by default.

What is not covered?

- 1 Money due to an **employee** under a contract or a statutory provision relating thereto.
- 2 Compensation awards or settlement relating to
 - i) trade union membership, industrial or labour arbitration or collective bargaining agreement
 - ii) civil claims or statutory rights relating to trustees of occupational pension schemes.

Employment Restrictive Covenants

What is covered?

- a A dispute with **your employee** or ex-**employee** which arises from their breach of a restrictive covenant where **you** are seeking financial remedy or damages.

Provided that the restrictive covenant

- i) is designed to protect **your** legitimate business interests, for a period not exceeding 12 months and
 - ii) is evidenced in writing and signed by your **employee** or ex-**employee** and
 - iii) extends no further than is reasonably necessary to protect the **business** interests.
- b A dispute with another party who alleges that **you** have breached their legal rights protected by a restrictive covenant.

Tax Disputes

What is covered?

- a A formally notified enquiry into **your business** tax.
- b A dispute about **your** compliance with HMRC regulations relating to **your employees**, workers or payments to contractors.
- c An enquiry with HMRC about Value Added Tax.

Provided that:

- a **you** keep proper records in accordance with legal requirements and
- b in respect of any appealable matter **you** have requested an Internal Review from HMRC where available.

What is not covered?

Any claim arising from or relating to:

- 1 tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty, or which contain careless and/or deliberate misstatements or omissions
- 2 an investigation by the Fraud Investigation Service of HMRC
- 3 circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to **your** financial arrangements
- 4 any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland
- 5 **your** failure to register for VAT.

Legal Defence

What is covered?

- a A criminal investigation and/or enquiry by:
 - i) the police
 - ii) other body with the power to prosecutewhere it is suspected that an offence may have been committed that could lead to the **insured** being prosecuted.
- b The charge for an offence or alleged offence which leads to the **insured** being prosecuted in a court of criminal jurisdiction.

What is not covered?

Any claim relating to a parking offence.

Compliance & Regulation

What is covered?

- a Receipt of a Statutory Notice that imposes terms against which **you** wish to appeal.
- b Notice of a formal investigation or disciplinary hearing by any professional or regulatory body.
- c A civil action alleging wrongful arrest arising from an allegation of theft.
- d A claim against **you** for compensation under the Data Protection Act 2018 provided that
 - i) **you** are registered with the Information Commissioner
 - ii) **you** are able to evidence that **you** have in place a process to
 - investigate complaints from data subjects regarding a breach of their privacy rights

– offer suitable redress where a breach has occurred and that **your** complaints process has been fully engaged.

- e A civil action alleging that an **insured** (or an ex-employee provided that they have **your** agreement to claim under this policy) has
 - i) committed an act of unlawful discrimination; or
 - ii) failed to correctly exercise their fiduciary duty as a trustee of a pension fund set up for the benefit of **your employees**.

What is not covered?

Any claim arising from or relating to:

- 1 the pursuit of an action by **you** other than an appeal
- 2 a routine inspection by a regulatory authority
- 3 an enquiry, investigation or enforcement action by HMRC
- 4 a claim brought against **your business** where unlawful discrimination has been alleged.

Statutory Licence Appeals

What is covered?

An appeal against a formal written proposal by the relevant authority to alter, suspend, revoke or refuse to renew a licence or compulsory registration required to run **your business**.

What is not covered?

Any claim relating to a licence or registration scheme affecting **your insured property**.

Loss of Earnings

What is covered?

The **insured's** absence from work to attend court, tribunal, arbitration, regulatory proceedings or a professional body's disciplinary hearing at the request of the **appointed advisor** or whilst on jury service which results in loss of earnings.

What is not covered?

Any sum which can be recovered from the court.

Personal Injury

What is covered?

An event that causes bodily injury to, or the death of, an **insured**.

What is not covered?

Any claim arising from or relating to a condition, illness or disease which develops gradually over time.

Executive Suite

What is covered?

This event applies only to the principal, executive officers, directors and partners of **your business**

- a An HMRC enquiry into the executive's personal tax affairs
- b A motoring prosecution that arises from driving for personal, social or domestic use, including commuting to or from **your business**
- c A claim that arises from personal identity theft provided that the person claiming has sought and followed advice from the Executive suite identity theft resolution helpline
- d A dispute that arises from the terms of **your business** partnership agreement that is to be referred to mediation
- e Crisis communication as described in Part B **Crisis Communication** below shall be available to the principal, executive officers, directors and partners of the **business** for matters occurring in their private and personal capacity that cause significant adverse publicity or reputational damage.

What is not covered?

- 1 Any claim arising from or relating to:
 - i) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty or which contain careless and/or deliberate misstatements or omissions
 - ii) an investigation by the Fraud Investigation Service of HMRC
 - iii) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the executive's financial arrangements
 - iv) any enquiry that concerns assets, monies or wealth outside of the United Kingdom
 - v) a parking offence
 - vi) costs incurred in excess of £25,000 for a claim under **d** and **e**.
- 2 Crisis communication for a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast.

Contract & Debt Recovery

What is covered?

A breach or alleged breach of an agreement or alleged agreement which has been entered into by **you** or on your behalf to buy, sell, hire, lease, goods or services or to rent **your business** premises, provided that if **you** are claiming for an undisputed debt **you** have exhausted **your** normal credit control procedures.

What is not covered?

Any claim arising from or relating to:

- 1 an amount which is less than £200
- 2 disputes with a tenant or leasee where **you** are the landlord or lessor
- 3 the sale or purchase of land or buildings
- 4 loans, mortgages, endowments, pensions or any other financial product
- 5 computer hardware, software, internet services or systems which
 - a have been supplied by **you** or
 - b have been tailored to **your** requirements
- 6 a breach or alleged breach of a professional duty by an **insured**
- 7 the settlement payable under an insurance policy

- 8 a dispute relating to an **employee** or ex-**employee**
- 9 adjudication or arbitration.

Crisis Communication

What is covered?

Following an event which causes significant adverse publicity or reputational damage which is likely to have a widespread financial impact on **your business**, we will

- a liaise with **you** and **your** solicitor (whether the solicitor is an **appointed advisor** under this policy, or acts on **your** behalf under any other policy), to draft a media statement or press release
- b prepare communication for **your** staff/customers/suppliers and/or a telephone or website script or social media messaging
- c arrange, support and represent an **insured** at an event which media will be reporting
- d support the **insured** by taking phone calls/emails and managing interaction with media outlets
- e support and prepare the **insured** for media interviews

provided that **you** have sought and followed advice from **our** Crisis communication helpline.

What is not covered?

Any claim arising from or relating to:

- 1 matters that should be dealt with through **your** normal complaints procedures
- 2 a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast
- 3 costs incurred in excess of £25,000.

Commercial Legal Protection Section - Defined terms

Some of the words in this Section have a specific meaning and we have highlighted these to you by showing them in **bold** print.

Appointed advisor

The

- 1 solicitor, accountant or other advisor (who is not a mediator), appointed by **us** to act on behalf of the **insured**;
- 2 mediator appointed by **us** to provide impartial dispute resolution in relation to a claim accepted by **us**.

Collective conditional fee agreement

A legally enforceable agreement entered into on a common basis between the **appointed advisor** and **us** to pay their professional fees on the basis of either

- 1 100% “no-win no-fee” or
- 2 where discounted, that a discounted fee is payable.

Conditional fee agreement

A legally enforceable agreement between **you** and the **appointed advisor** for paying their professional fees on the basis of either

- 1 100% “no-win no-fee” or
- 2 where discounted, that a discounted fee is payable.

Employee

A worker who has or alleges they have entered into a contract of service with **you**.

Insured

- 1 **You, your** directors, partners, managers, officers and **employees of your business**.
- 2 A person declared to **us**, who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your employees** and who performs work under **your** supervision.

Insurer

ARAG Legal Expenses Insurance Company Limited

Insured property

- 1 **Your business premises**.
- 2 Property owned by **you** which is let or which **you** intend to let to tenants for business or residential purposes.
- 3 Property owned by **you** which is let or which **you** intend to let to guests as holiday accommodation for leisure purposes under the terms of a written agreement.

Which is shown in the schedule to which this policy attaches and is located in England, Scotland, Wales or Northern Ireland.

Legal costs & expenses

- 1 Reasonable legal costs and disbursements reasonably and proportionately incurred by the **appointed advisor** on the standard basis and agreed in advance by **us**. The term “standard basis” can be found within the Courts’ Civil Procedure Rules Part 44.3.
- 2 In civil claims, other side’s costs, fees and disbursements where the **insured** has been ordered to pay them or pays them with **our** agreement.
- 3 Reasonable accountancy fees reasonably incurred under Part B **Tax Disputes** by the **appointed advisor** and agreed by **us** in advance.
- 4 Health and Safety Executive Fees for Intervention.
- 5 **Your employee’s** basic wages or salary under Part B **Loss of Earnings** in the course of their employment with **you** while attending court or tribunal at the request of the **appointed advisor** or whilst on jury service where lost wages or salary cannot be claimed back from the court or tribunal.
- 6 The reasonable cost of phone calls, postage (including special delivery), image scanning, photocopying or credit reports incurred under Part B **Executive Suite c** where the **insured** has taken advice from **our** Identity Theft Advice and Resolution Service.
- 7 The professional fees and expenses of an **appointed advisor** selected by **us** to reduce the actual adverse or negative publicity or media attention directed under Part B **Executive Suite e** and **Crisis Communication**.

Reasonable prospects of success

- 1 Other than as set out in 2) and 3) below, a greater than 50% chance of the **insured** successfully pursuing or defending the claim and, if the **insured** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained. Under **Contract & Debt Recovery**, there must be a greater than 50% chance of successfully defending the claim in its entirety.
- 2 In criminal prosecution claims where the **insured**
 - a pleads guilty, a greater than 50% chance of reducing any sentence or fine or
 - b pleads not guilty, a greater than 50% chance of that plea being accepted by the court.
- 3 In all claims involving an appeal, a greater than 50% chance of the **insured** being successful.

Where it has been determined that **reasonable prospects of success** do not exist, the **insured** shall be liable to pay any legal costs incurred should they pursue or defend their claim irrespective of the outcome.

Territorial limits

For Part A Sub-sections of cover – the United Kingdom

For Part B **Legal Defence** – the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and countries in the European Union.

For all other Part B Sub-sections of cover – the United Kingdom, Channel Islands and the Isle of Man.

We/us/our

ARAG plc who is authorised under a binding authority agreement to administer this insurance on behalf of the **insurer**.

You/your

The individual, partnership or corporate body named in the schedule, including any subsidiary and/or associated companies.

Commercial Legal Protection Section - Special or unusual conditions and terms of this policy

Where the **insurer's** risk is affected by the **insured's** failure to keep to these conditions the **insurer** can refuse a claim or withdraw from an ongoing claim. The **insurer** also reserves the right to claim back **legal costs & expenses** from the **insured** if this happens.

The insured's Responsibilities

An **insured** must:

- a tell **us** immediately of anything that may make it more costly or difficult for the **appointed advisor** to resolve the claim in the **insured's** favour
- b cooperate fully with **us**, 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 claim back **legal costs & expenses** and, where recovered, pay them to the **insurer**
- d allow the **insurer** at any time to take over and conduct in the **insured's** name, any claim.

Freedom to Choose an appointed advisor

- a In certain circumstances as set out in b) below the **insured** may choose an **appointed advisor**. In all other cases no such right exists and **we** shall choose the **appointed advisor**.
- b If:
 - i) a suitably qualified advisor considers that it has become necessary to issue proceedings or proceedings are issued against an **insured**, or
 - ii) there is a conflict of interest the **insured** may choose a qualified **appointed advisor** except, where the **insured's** claim is to be dealt with by the Employment Tribunal, **we** shall always choose the **appointed advisor**.
- c Where the **insured** wishes to exercise the right to choose, the **insured** must write to **us** with their preferred representative's contact details.
- d Where the **insured** chooses to use their preferred representative, the **insurer** will not pay more than **we** agree to pay a solicitor from **our** panel and will pay only the costs that the **insurer** would have been liable to pay. (**Our** panel solicitor firms are chosen with care and **we** agree special terms with them including rates which may be lower than those available from other firms).
- e If the **insured** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement, or if the **appointed advisor** refuses with good reason to continue acting for an **insured**, the **insurer's** liability in respect of that claim will end immediately.
- f In respect of pursuing a claim under **Contract & Debt Recovery** you must enter into a conditional fee agreement (unless the appointed advisor has entered into a collective conditional fee agreement) where legally permitted.

Consent

- a The **insured** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured's** claim. The **insured** is considered to have provided consent to **us** or **our** appointed agent to have sight of their file for auditing and quality and cost control purposes.
- b An **insured** must have **your** agreement to claim under this policy.

Settlement

- a The **insurer** can settle the claim by paying the reasonable value of the **insured's** claim.
- b The **insured** must not negotiate, settle the claim or agree to pay **legal costs & expenses** without **our** written agreement.
- c If the **insured** refuses to settle the claim following advice to do so from the **appointed advisor** the **insurer** reserves the right to refuse to pay further costs.

Barrister's Opinion

We may require the **insured** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the **insured**, then the **insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **us**, then the **insurer** will pay for a final opinion which shall be binding on the **insured** and **us**. This does not affect the **insured's** right under the Arbitration condition below.

Arbitration

If any dispute between the **insured** and **us** arises from this policy, the **insured** can make a complaint to **us** and **we** will try to resolve the matter. If **we** are unable to satisfy the **insured's** concerns and the matter can be dealt with by the Financial Ombudsman Service the **insured** can ask them to arbitrate over the complaint.

If the dispute cannot be dealt with by the Financial Ombudsman Service, it can be referred for independent arbitration to a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred.

If **we** and the **insured** fail to agree on a suitable person to arbitrate the matter **we** will ask the President of the relevant Law Society to nominate. The arbitration shall be subject to the Arbitration Acts and the arbitrator's decision shall be binding on the parties.

Other Insurance

The **insurer** will not pay more than their fair share (rateable proportion) for any claim covered by another policy, or any claim that would have been covered by any other policy if this policy did not exist; even if the other insurer refuses the claim.

Fraudulent Claims and Claims Tainted By Dishonesty

- a If the **insured** makes any claim which is fraudulent or false, the policy shall become void and all benefit under it will be lost.
- b An **insured** shall at all times be entirely truthful and open in any evidence, disclosure or statement they give and shall act with complete honesty and integrity throughout. Where, on the balance of probabilities and having considered carefully all the facts of the claim, it appears that the insured has breached this condition and that the breach has:
 - i) affected **our** assessment of **reasonable prospects of success**, and/or
 - ii) prejudiced in any part the outcome of the **insured's** claimthe **insurer** shall have no liability for **legal costs & expenses** incurred from the date of the **insured's** breach.

Cancellation

In addition to the Cancellation condition as set out under the General Conditions Section, where there is a valid reason for doing so, the **insurer** has the right to cancel the policy at any time by giving **you** at least 21 days written notice. The insurer will refund the premium for the time remaining of the period of insurance. **We** will set out the reason for cancellation in writing. Valid reasons may include but are not limited to:

- a. where the party claiming under this policy fails to cooperate with or provide information to **us** or the appointed advisor in a way that materially affects **our** ability to process a claim, or **our** ability to defend the **insurer's** interests.
- b. where the **insured** uses threatening or abusive behaviour or language, or intimidates or bullies **our** staff or suppliers
- c. where we have evidence that the **insured** has committed a fraudulent act.

The **insurer** may also cancel this Section of the policy and refund the premium for the remaining period of insurance if at any time **you**:

- a. enter into a voluntary arrangement or a deed of arrangement or
- b. become bankrupt, are placed into administration, receivership or liquidation or
- c. have **your** affairs or property in the care or control of a receiver or administrator.

Acts of Parliament, Statutory Instruments, Civil Procedure Rules & Jurisdiction

All legal instruments, bodies and rules referred to within this policy shall include the equivalent in Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement. This policy will be governed by English law.

Commercial Legal Protection Section - What is not covered by Part A of this policy?

- 1 Any disagreement with a tenant of an **insured property** during the first 90 days of the first **period of insurance** where the **tenancy agreement** started before the start of this cover except where **you** have had equivalent cover in force up until the start of this policy.
- 2 Registering, assessing or reviewing rent, rent control, land tribunals or matters that fall under the jurisdiction of the Property Chamber of the First-tier Tribunal.
- 3 Any claim arising from or relating to **an insured property** owned by **you** which has been or which should have been registered as a House of Multiple Occupation.

Commercial Legal Protection Section - What is not covered by Part B of this policy?

The **insured** is not covered for any claim arising from or relating to:

- 1 defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Part B **Employment**)
- 2 National Minimum Wage and/or National Living Wage Regulations
- 3 patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Part B **Employment Restrictive Covenants**).

Commercial Legal Protection Section - What is not covered by this section of this policy? (applicable to the whole section)

The **insured** is not covered for any claim arising from or relating to:

- 1 costs or compensation awards incurred without **our** consent
- 2 any actual or alleged act, omission or dispute happening before, or existing at the start of the insurance provided by this policy, and which the **insured** knew or ought reasonably to have known could lead to a claim
- 3 an allegation against the **insured** involving:
 - a assault, violence, malicious falsehood or defamation
 - b indecent or obscene materials
 - c the use of alcohol or its unauthorised or unregulated manufacture, unlicensed dealing in alcohol or dealing in or using illegal drugs
 - d illegal immigration
 - e money laundering or bribery offences, breaches of international sanctions, fraud, or any other financial crime activitiesexcept in relation to Part B **Crisis Communication**
- 4 defending a claim in respect of or loss or damage to that has been caused to your property
- 5 a dispute with any subsidiary, parent, associated or sister company or between shareholders or partners (except in relation to mediation under Part B **Executive Suite d**)
- 6 a judicial review
- 7
 - a) a franchise agreement
 - b) an agency agreement through which one party has the legal capacity to alter the legal relations of the other
- 8 a dispute with **us**, the **insurer** or the party who arranged this cover not dealt with under the Arbitration condition.
- 9 The payment of fines, penalties or compensation awarded against the **insured** (except as covered under Part B **Employment Compensation Awards**); or costs awarded against the **insured** by a court of criminal jurisdiction.

Privacy Statement

This is a summary of how ARAG collect, use, share and store personal information. To view ARAG's full privacy statement, please see ARAG's website www.arag.co.uk

Collecting Personal Information

ARAG may be required to collect certain personal or sensitive information which may include name, address, date of birth and if appropriate medical information. ARAG will hold and process this information in accordance with all relevant data protection regulations and legislation. Should ARAG ask for personal or sensitive information, ARAG undertake that it shall only be used in accordance with ARAG's privacy statement.

ARAG may also collect information for other parties such as suppliers ARAG appoint to process the handling of a claim.

Using Personal or Sensitive Information

The reason ARAG collect personal or sensitive information is to fulfil their contractual and regulatory obligations in providing this insurance product, for example to process premium or handle a claim. To fulfil these obligations, ARAG may need to share personal or sensitive information with other organisations.

ARAG will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected.

Please refer to ARAG's full privacy statement for full details.

Keeping Personal Information

ARAG shall not keep personal information for any longer than necessary.

Your Rights

Any person insured by this policy has a number of rights in relation to how ARAG hold personal data including; the right to a copy of the personal data ARAG hold; the right to object to the use of personal data or the withdrawal of previously given consent; the right to have personal data deleted.

How to Make a Complaint

ARAG is committed to providing a first class service at all times. However, if a complaint arises, this should be addressed to our Customer Relations Department who will arrange to have it reviewed at the appropriate level. We can be reached in the following ways:

ARAG plc
Unit 4a
Greenway Court
Bedwas
Caerphilly
CF83 8DW
Telephone: 0117 917 1561
Email: customerrelations@arag.co.uk

If we are not able to resolve the complaint to your satisfaction then you can refer it to the Financial Ombudsman Service (FOS) provided that it falls within their jurisdiction. They can be contacted at:

Financial Ombudsman Service
Exchange Tower
London, E14 9SR.
Telephone: 0800 023 4567 or 0300 123 9123
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. you can find out more information on the Financial Ombudsman Service at www.financial-ombudsman.org.uk

The FOS's decision is binding upon the insurer, but **you** are free to reject it without affecting **your** legal rights.