



**Property Owners'  
Insurance Policy  
(Professionals' Version)**



**INSURANCE  
CORPORATION**

## Welcome

Welcome to the Insurance Corporation of the Channel Islands.

Thank you for choosing us as your insurer.

Your Policy (including the Schedule, Endorsements, Clauses and Certificates) is evidence of a legal contract and the document should be kept in a safe place.

We are happy to provide duplicates if you mislay any part of your documentation.

Please read the Policy and Schedule carefully and if they do not meet your needs return them to us or your insurance intermediary.

### Law Applicable

Under the laws of the United Kingdom (England, Scotland, Wales and Northern Ireland) both parties may choose the law which applies to this contract, to the extent permitted by those laws. Unless the parties agree otherwise in writing, the Insurer has agreed with the Insured that the law which applies to this contract is the law which applies to the part of the United Kingdom in which the Insured is based, or, if based in the Channel Islands or the Isle of Man, the law of whichever of those two places in which the Insured is based.

The parties have agreed that any legal proceedings between them in connection with this contract will only take place in the courts of the part of the United Kingdom in which the Insured is based, or, if the Insured is based in either the Channel Islands or the Isle of Man, the courts of whichever of those two places in which the Insured is based.

Your right as an Insured to take legal action remains unaffected by the existence or use of any complaint procedure.

# **Statutory Status – Important Notice to Insureds**

## **Registered Insurer**

Insurance Corporation of the Channel Islands Limited, registered in Guernsey (No. 10569), is licensed and regulated by the Guernsey Financial Services Commission, and is also licensed and regulated by the Jersey Financial Services Commission and the Insurance and Pensions Authority in the Isle of Man.

Insurance Corporation of the Channel Islands Limited is a member of the RSA Group of Companies.

## **Compulsory Insurance (Employers' Liability) outside of Guernsey**

In respect of any insurance under this policy, required to meet legislation enacted in Great Britain and Northern Ireland, Jersey and the Isle of Man the registered insurer shall be:

Royal & Sun Alliance plc (no 93792), Registered in England and Wales at St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Royal & Sun Alliance plc is a member of the RSA Group of Companies.

# Customer Care

## Claims Helpline

We recognise that losses mean disruption to your business and that the ultimate test of any insurance policy is providing a fast, effective claims service. Should you need to make a claim under your policy. Please contact your broker for advice in the first place.

Alternatively you can contact our Claims Team on 01481 707592 during business hours or by email [icci.claims@insurancecorporation.com](mailto:icci.claims@insurancecorporation.com)

In the event of an emergency outside normal business hours, please ring 07781 108739, where you will be able to speak to Channel Islands Adjusters, our preferred loss adjuster for large or emergency insurance claims.

Please quote your Policy Number which can be found on your Schedule.

## Emergency Repairs

Should emergency repairs be needed to your property, we will put you in touch with a tradesman from our carefully selected panel. You will have to pay the cost of any work done, but where the damage is caused by an insured event, you can of course submit the cost as part of your claim. Whatever the nature of the emergency, you just need to make a single phone call.

## Advice Lines

Where do you turn for answers to questions that affect your business? Our advice lines will put you in touch with highly qualified experts who can offer information and assistance on a wide range of issues:

- Legal assistance,
- Health and Safety issues,
- Tax advice.

Please call the 24 hour Helpline 0345 078 7543 quoting code 70201.

# Claim Notification

Conditions that apply to this Policy in the event of a claim are set out in the Policy Conditions pages of this Policy. It is important that you comply with all Policy Conditions and you should familiarise yourself with their requirements.

Directions for claim notification are included in the Policy Conditions. Please remember that events that may give rise to a claim under this insurance must be notified as soon as reasonably possible although there are some situations where immediate notification is required.

The Policy Conditions require you to provide us with any reasonable assistance and evidence that we may require concerning the cause and value of any claim. Ideally, as part of your initial claim notification, you should provide:

- Your name, address, and your email and contact numbers
- Personal details necessary to confirm your identity
- Policy number
- The date of the incident
- The cause of the loss or damage
- Details of the loss or damage together with claim value if known or in respect of injury the nature and extent
- The crime reference number where applicable
- Names and addresses of any other parties involved or responsible for the incident (including details of injuries) and addresses of any witnesses.

This information will enable us to make an initial evaluation on policy liability and claim value. We may, however, request additional information depending upon circumstances and value which may include the following:

- Original purchase receipts, invoices, instruction booklets or photographs
- Purchase dates and location of lost or damaged property
- For damaged property, confirmation from a suitably qualified expert that the item you are claiming for is beyond repair.

Sometimes, we or someone acting on our behalf may wish to meet with you to discuss the circumstances of the claim, to inspect the damage or to undertake further investigations.

We take pride in the claims service we offer to our customers. Our philosophy is to repair or replace lost or damaged property, where we consider it appropriate, and we have developed a network of contractors, repairers and product suppliers dedicated to providing claim solutions.

Where we can offer repair or replacement through a preferred supplier but we agree to pay cash settlement, then payment will normally not exceed the amount we would have paid our preferred supplier.

# Property Owners' Insurance Policy

## Your Policy

This Policy is a contract between you (also referred to as the Insured or your) and us (also referred to as the Insurer, we, our or Insurance Corporation of the Channel Islands).

We would advise for clarity that although there may be more than one party detailed as Insured in the Schedule, in terms of the application of Sums Insured, Limits of indemnity or cover under the Policy, there is still only one Insured or one party or legal entity so there will only be two parties to the contract of insurance.

This Policy and any Schedule, Endorsements, Clauses and Certificates should be read as if they are one document.

Our acceptance of this risk is based on the information presented to us being a fair presentation of your business including any unusual or special circumstances which increase the risk and any particular concerns which have led you to seek insurance.

We would draw your attention to the Policy Conditions – Policy Voidable where in the event of deliberate or reckless misrepresentation and/or non-disclosure of any unusual or special circumstances which increase the risk, we may void the policy.

Our continued acceptance is based on any changes from the original information presented being advised and accepted by us.

We also draw your attention to the Policy Conditions – Alterations where a change in risk shall allow us to avoid a claim or impose additional terms or conditions.

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

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

This Policy may be cancelled:

- A By us giving 30 days notice, in writing, to you at your last known address
- B By you giving 30 days notice, in writing, to us at the address shown in the Schedule.

You will be entitled to a proportionate return of premium unless a claim has been made in the current Period of Insurance.



Mandy Hunt  
Managing Director, Insurance Corporation of the Channel  
Islands

# Policy Conditions

It is a requirement of the Insurer that the following Policy Conditions apply as stated except so far as is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to Employees.

Applicable to the whole Policy unless otherwise stated:

## 1 Action by the Insured

On the discovery of any circumstance or event which may give rise to a claim under this Policy the Insured shall:

- A) Notify the Insurer as soon as reasonably possible.
- B) Give notice within 24 hours to the Police Authority in respect of Damage (other than by fire or explosion) caused by malicious persons or thieves if insured by this Policy.
- C) Carry out and permit to be taken any action which may be reasonably possible to prevent further Damage and to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss.
- D) Within 30 days after the circumstances or event or of the expiry of the Indemnity Period or such further time as the Insurer may allow, and at their own expense, deliver to the Insurer:
  - i) Full information in writing of the claim
  - ii) Details of any other insurance relating to the claim
  - iii) All such business books, documents, proofs, information, explanation and other evidence as may be reasonably required all of which information and details may be produced by the Insured's professional accountants or auditors who are regularly acting as such, their report being prima facie evidence of such information and details
  - iv) If demanded a statutory declaration of the truth of the claim and of any matter connected with it.
- E) In respect of Liability Insurance:
  - i) Every letter, claim, writ or summons and process in connection with such circumstances shall be forwarded to The Insurer without undue delay on receipt
  - ii) Written notice shall also be given without undue delay by the Insured to the Insurer immediately the Insured shall have knowledge of any prosecution, inquest or inquiry in connection with any circumstance which may give rise to liability under this Policy.

If the terms of this Condition have not been complied with, and as a direct consequence, the amount for which the Insurer is liable under this Policy has increased, then no payment shall be made by the Insurer in respect of the amount of such increase.

## 2 Alterations

This Policy shall be terminated if:

- A) The Business is wound up or carried on by a liquidator or receiver or permanently discontinued or

- B) The Insured's interest ceases otherwise than by death or
- C) Any alteration is made either in the Business or in the Premises or Property therein or any other circumstances whereby the risk is increased unless otherwise stated.

at any time after the commencement of this Policy unless its continuance be admitted by the Insurer and in respect of 2 C) the Insurer agrees not to avoid the Policy provided that:

- i) Such alteration is not of such a nature that if the alteration had occurred prior to the commencement of this Policy the Insurer would not have entered into this Policy on any terms
- ii) The Insured shall pay an appropriate additional Premium if required by the Insurer with effect from the date of the alteration
- iii) The Insurer shall be entitled to impose appropriate additional terms, other than Premium, with effect from the date of the alteration.

## 3 Arbitration

### Not applicable to Liability Insurances

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions.

Where any difference is, by this condition, to be referred to arbitration, the making of an award shall be a requirement to any right of action against the Insurer.

## 4 Contribution

### A) Applicable to Property Damage

If at the time of any claim, there is any other insurance covering the Insured's interest in the Property Damaged, the Insurer's liability under this Policy shall be limited to its rateable proportion of such claim, and will be subject to any Underinsurance Provision.

- i) If any such other insurance is subject to any Underinsurance Provision, this Policy, if not already subject to any Underinsurance Provision shall be subject to the Provision in like manner.
- ii) If any other insurance effected by or on behalf of the Insured is expressed to cover any of the Property insured but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably to Damage, the Insurer's liability shall be limited to such proportion of the Damage as the Sum Insured bears to the value of the Property.

### B) Applicable to Liability Insurance

Other than in respect of Extension 5 (Contingent Motor Liability) to Section 2 (Public/Products Liability), if at the time of any claim there is or, but for the existence there would be, any other insurances covering the same legal liability, the indemnity will not apply except in respect of any amount beyond that which would have been payable under such insurances had this not been effected.



Where a claim includes the defence of criminal proceedings brought or in appeal against conviction the Insurer will not pay any costs or expenses where cover is provided by any other insurance or where but for the existence of this Policy it would have been provided by such insurance.

## 5 Economic, Financial or Trade Sanctions

The Insurer shall not provide coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any Prohibition. If any such Prohibition takes effect during the Policy period the Insured or the Insurer may cancel that part of this Policy which is prohibited or restricted with immediate effect by giving written notice to the other party at their last known address.

If the whole or any part of the Policy is cancelled the Insurer shall if and to the extent that it does not breach any prohibition return a proportionate amount of the premium for the unexpired period subject to minimum premium requirements and provided no claims have been paid or are outstanding. For the purposes of this Clause Prohibition shall mean any economical financial or trade sanctions imposed by the European Union or United Kingdom, or any other prohibition or restriction imposed by law or regulation of the country of which this Policy is issued or would otherwise provide cover.

## 6 Fraud

If a claim is in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone appointed to act on their behalf to obtain any benefit under this Policy or if any Damage, claim or loss is caused by the wilful act or with the connivance of the Insured, the Insurer will:

- A) Have no liability to pay any part of or the whole of the fraudulent claim
- B) Be entitled to refuse all claims arising after the fraudulent action
- C) Remain liable for legitimate claims before the fraudulent action
- D) Terminate the Policy from the date of the fraudulent action whether or not the Policy had expired before the discovery of the fraud.

## 7 Legal Representation Applicable to Liability Insurance

Where the Insurer provides its consent to indemnify the Insured in respect of any legal costs and expenses in relation to any matter which may form the subject of a claim for indemnity under this Policy, the Insurer will choose an appropriate representative (be it a solicitor or otherwise) to act on the Insured's behalf.

The Insurer will provide the Insured with details of the nominated appropriate representative prior to the representative's instruction.

In the event that the Insured wishes to appoint its own representative, the Insured shall provide prior notification of its intention to do so and seek the Insurer's written consent.

The Insured agrees that in respect of its proposed representative:

- i) The hourly rate (or such other fee basis as the case may be to apply and
- ii) The terms and conditions of such appointment shall be subject to the Insurer's prior approval.

In the event of a dispute regarding the amount of legal costs incurred by the Insured's representative the Insured agrees that the Insurer will have the option to audit any files for the purpose of assessing the costs claimed.

## 8 Policy Voidable

This Policy shall be voidable in the event of misrepresentation, mis-description or non-disclosure in any material particular.

However, the Insurer agrees not to void the Policy provided that:

- A) Such misrepresentation or non-disclosure has not been deliberate or reckless,
- B) Such misrepresentation or non-disclosure has not been of such nature that, if the material particular had been fairly presented or had been disclosed, the Insurer would not have entered into this Policy on any terms,
- C) The Insurer shall be entitled to impose appropriate additional terms (other than Premium) with effect from inception or if applicable the date of the alteration.

If at the time of Damage, claim or loss the Premium charged to the Insured would have been higher but for the misrepresentation or non-disclosure in any material particular the liability of the Insurer for any loss amount payable shall be limited to the proportion that the Premium charged bears to the higher Premium.

## 9 Reasonable Precautions

The Insured, at their own expense shall:

- A) Take reasonable precautions to prevent any circumstances or to cease any activity which may give rise to liability under this Policy and to maintain all buildings, furnishings, ways, works, machinery, plant and vehicles in a sound condition,
- B) As soon as reasonably possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such reasonable additional precautions to be taken as the circumstances may require.

## 10 Rights of the Insurer

### (Applicable only to Liability Insurance)

No admission, offer, promise, payment or indemnity shall be made, or given, by or on behalf of the Insured without the written consent of the Insurer; which shall be entitled to take over the absolute control of and conduct in the name of the Insured the negotiation, proceeding, defence or settlement of any claim or to prosecute any claim in the name of the Insured for its own benefit, and shall have full discretion in the conduct of any proceeding and in the settlement of any claim.

## 11 Rights of Recovery

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



The Insurer shall not enforce any rights against any company being parent of or subsidiary to the Insured or any company which is a subsidiary of a parent company of which the Insured is itself a subsidiary in each case as defined by the Companies Act 1985 or the Companies (Northern Ireland) Order 1986 or the Companies (Guernsey) Law 2008 or the Companies (Jersey) Law 1991 or the Isle of Man Companies Act 2006.

## **12 The Insurer's Liability**

For all purposes, including but not limited to the application of the Sums Insured, Limits, Limits of Liability or Limits of Indemnity and consideration of when and how the Policy will respond, all parties included in the definition of the Insured in the Schedule, shall constitute one Insured, or one party or legal entity, so

that there will be only two parties to the contract of insurance between the Insured and the Insurer.

## **13 Third Party Contract Rights**

No person other than the Insured or the Insurer may enforce the terms of this Policy, and the provisions of the Contract (Right of Third Parties) Act 1999 do not apply.

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## Policy Definitions

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The words or phrases where used in the Policy starting with a capital letter shall have the following meaning within the Section in which they appear

### General

**Asbestos** shall mean crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals

**Asbestos Dust** shall mean fibres or particles of Asbestos

**Asbestos Containing Materials** shall mean any material containing Asbestos or Asbestos Dust

**Damage** shall mean loss destruction or damage

**Data** shall mean information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

**Failure of a System** shall mean the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the Insured to operate at any time as desired as specified or as required in the circumstances of the Insured's business activities

**FirstAssist** shall mean FirstAssist Services Ltd FirstAssist can be contacted at Marshall's Court Marshall's Road Sutton Surrey SM1 4DU Telephone 020 8652 1313 Facsimile 020 8661 7604

**Insurer** shall mean Insurance Corporation of the Channel Islands Ltd

**Insured** shall mean the person persons entity or entities specified in the Schedule

**Insured's Contribution** shall mean the first part of each and every loss to be borne by the Insured at each separate Premises after the application of all other terms and conditions of the insurance including but not limited to the Underinsurance Clauses

Under the Property Damage Insurance Section Damage caused by storm flood or escape of water (including from any automatic sprinkler installation) occurring continuously or intermittently during any period of 72 hours shall be deemed to constitute one loss

**Legionellosis** shall mean any discharge release or escape of legionella or other airborne pathogens from water tanks water systems air- conditioning plants cooling towers and the like

**Microchip** shall mean a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontrollers

**Period of Insurance** shall mean the period stated in the Schedule

**Policy** shall mean this policy

**Premises** shall mean the Premises stated in the Schedule

**Stipulations** shall mean European Union legislation or Building Regulations or public authority or other statutory requirements

**System** shall include computers other computing and electronic equipment linked to a computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation

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

**United Kingdom** shall mean Great Britain Northern Ireland the Isle of Man and the Channel Islands

**Virus** shall mean programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self replication or not

## Property Damage Insurance

**Buildings** shall mean

- buildings (including foundations) built mainly of brick stone concrete or other non-combustible material
- landlord's fixtures and fittings (including fixed glass and fitted carpets) and tenants' improvements for which the landlord is responsible in on or around the Buildings
- furnishings and other contents of common parts of the Buildings including seasonal items introduced to shopping centres
- gangways pedestrian malls and pedestrian access bridges
- walls gates fences and Services
- car parks roads pavements and similar surfaces all constructed of solid materials
- landscaping excluding external ponds and lakes

all being the property of the Insured or for which they are responsible and situate at the Premises

For the purpose of determining whether any property falls within the definition of Buildings the Insurer agrees to accept the designation under which such property has been entered in the Insured's books or which has been used by the Insured in computing the Sums Insured hereunder or for which the Insured is responsible under the terms of the lease

**Contract Works** shall mean temporary or permanent works executed or in the course of execution at the Premises by or on behalf of the Insured for the purposes of alterations or improvements to the Premises including unfixed site materials for use in connection therewith

**Day One Rebuilding Value** shall mean the total of the costs [i] [ii] [iii] [iv] and [v] within the Buildings – Basis of Settlement of Claims (at the level of costs applying at the commencement of the Period of Insurance) in rebuilding the Buildings

- to a condition substantially the same as their condition when new
- or if in the Schedule it is stated that the Alternative Basis of Settlement applies
- after an appropriate deduction for wear and tear

**Day One Rental Value** shall mean

the actual annual Rent at the commencement of the Period of Insurance

or if the Buildings are untenanted at that date –

the actual annual Rent at which the Buildings were subsequently let (or the estimated annual Rent at which they are expected to be let)

or if the Buildings are subject to a rent free period concession at that date

the actual annual Rent that applies from the date immediately after the rent free period ceases

in each case the amount to be proportionately increased where the Indemnity Period exceeds one year

**Declared Value** shall mean the base value shown in brackets below the Sum Insured excluding any provision for inflation

**Empty Disused or Unoccupied** shall mean any Building that is unfurnished untenanted or no longer in active use

**Indemnity Period** shall mean the maximum period from the date of the Damage for which the Insurer shall be liable to pay any loss such period being the number of years shown in the Schedule

**Long Term Unoccupied** shall mean any Building that

[a] has been unfurnished or untenanted for any continuous period exceeding 26 weeks

or

[b] is no longer in active use and is awaiting refurbishment redevelopment renovation or demolition

**Notifiable Disease** shall mean injury or illness sustained by any person resulting from

- [a] food or drink poisoning or
- [b] any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition) an outbreak of which the competent public authority has stipulated shall be notified to them

**Rent** shall mean rent including service charges

**Services** shall mean telephone gas electricity water mains drains and sewers electrical instruments meters piping cabling and the accessories thereto providing services to or from the Buildings and for which the Insured are responsible

## **Legal Liabilities Insurance**

**Business** shall mean that which is specified in the Schedule and conducted solely from Premises in the United Kingdom and shall include

- [a] ownership repair and maintenance of the Insured's own property
- [b] occupation of the Premises other than for the purpose of operating any trade or business therefrom
- [c] provision and management of canteen social sports and welfare organisations and first aid ambulance and medical services for the benefit of any Person Employed
- [d] fire and security services maintained solely for the protection of Premises owned or occupied by the Insured
- [e] private work undertaken by any Person Employed for any director or partner of the Insured or Employee with the prior consent of the Insured

but in respect of Liability Section 1 shall not include any work undertaken Offshore

**Employee** shall mean any individual under a contract of service or apprenticeship with the Insured

**Event** shall mean one occurrence or all occurrences of a series consequent on or attributable to one source or original cause

**Injury** shall mean

Section 1 – Employers Liability

bodily injury death disease or illness

Sections 2 and 3 – Property Owners' Public Liability and Legal Defence Costs

bodily injury death disease illness wrongful arrest or false imprisonment

Section 4 – Legionellosis Liability

bodily injury death disease or illness of any person other than a Person Employed

**Notice of Adjudication** shall mean any notice issued to a party to a contract to which the Housing Grants Construction and Regeneration Act 1996 applies stating an intention to refer a dispute under the contract to adjudication

**Offshore** shall mean embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform

**Person Employed** shall mean any

- [a] Employee
  - [b] labour master and individuals supplied by him
  - [c] individual employed by labour only sub contractors
  - [d] self employed individual (not being in partnership with the Insured)
  - [e] individual hired to or borrowed by the Insured
  - [f] individual undertaking study or work experience while under the supervision of the Insured
  - [g] voluntary worker whilst acting for and on behalf of and with the agreement of the Insured
- } While under the  
direct control  
and supervision  
of the Insured

**Person Entitled to Indemnity** shall mean

- [a] the Insured
- [b] the personal representatives of the Insured in respect of legal liability incurred by the Insured
- [c] at the request of the Insured

- [1] any principal
- [2] any director or partner of the Insured
- [3] any Person Employed

against legal liability in respect of which the Insured would have been entitled to indemnity under this Policy if the claim had been made against the Insured

- [4] the officers committees and members of the Insured's canteen social sports and welfare organisations and first aid fire ambulance medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided
- [5] any director or partner of the Insured or Employee in respect of private work undertaken by any Person Employed for such director partner or Employee with the prior consent of the Insured

each of whom shall as though the Insured be subject to the terms of this Policy so far as they can apply

**Property** shall mean material property but shall not include Data

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## General Clause

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### Long Term Undertaking

The discount (if applicable) specified in the Schedule is allowed off the net premium on this Policy in consideration of the Insured undertaking to offer annually for three years (unless otherwise stated) from the date specified in the Schedule the insurance under this Policy on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premium annually in advance it being understood that

- [a] the Insurer shall be under no obligation to accept an offer made in accordance with the above mentioned undertaking
- [b] the sums insured may be reduced at any time to correspond with any reduction in the value or reduction in the business

The above mentioned undertaking applies to any policy or policies which may be issued by the Insurer in substitution for this Policy and the same discount shall be allowed off the net premiums on any policy or policies issued by the Insurer

Payment of the premium due at the commencement of the undertaking specified in the Schedule shall be deemed acceptance by the Insured of the terms of this clause

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## General Warranty

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### Security and Inspection Warranty

It is warranted that in respect of any Building that is Empty Disused or Unoccupied for any continuous period exceeding 30 days

- [a] gas water and electricity services and any fuel supplies are kept shut off at the switch or stopcock where they enter the Building
- [b] all water and heating systems be kept drained
- [c] the Building be kept secured by
  - [i] the use of mortise deadlocks conforming to BS3621 or close-shackle padlocks with matching locking bar on all external doors or shutters
  - [ii] the use of window locks – where locks are not fitted windows must be screwed shut
  - [iii] repairing any broken or defective windows or boarding them externally using 19mm thickness shuttering grade plywood adequately braced and secured against forced entry
  - [iv] sealing all letterboxes or fitting a stout steel cage internally
- [d] the Building and external areas immediately surrounding the Building be kept free of all unfixed combustible materials
- [e] any additional requirements put forward by the Insurer are completed within the timescale specified
- [f] the Building is inspected internally and externally by the Insured or their nominees at least weekly to check that the requirements of this warranty are in place In the event of a breach of requirements [a] to [e] the Insured or their nominees shall immediately
  - [i] arrange to carry out the necessary work to satisfy the aforesaid requirements
  - [ii] notify the Insurer

except as otherwise agreed in writing by the Insurer

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## Property Damage Insurance – The Cover

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If any items insured suffer Damage by any of the Covers insured the Insurer will pay to the Insured the amount of loss in accordance with the provisions of the insurance provided that the Insurer's liability shall not exceed in any one Period of Insurance

- [i] in respect of each item on Buildings the Sum Insured
- [ii] in respect of each item on Rent 200% of the Sum Insured
- [iii] any other stated Limit of Liability

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## Property Damage Insurance – The Covers insured

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The following are the Covers insured except as otherwise stated in the Schedule

- 1
  - [a] Fire excluding Damage by explosion resulting from fire
  - [b] Explosion excluding Damage caused by the bursting of any boiler or other plant which belongs to or is under the control of the Insured and in which internal pressure is due to steam only  
but this shall not exclude Damage caused by explosion of
    - any boiler
    - gasused for domestic purposes only
  - [c] Lightning
  - [d] Aircraft or other aerial devices or articles dropped therefrom
- 2 Earthquake excluding Damage caused by fire
- 3 Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons excluding
  - [1] Damage arising from nationalisation confiscation requisition seizure or destruction by order of the government or any public authority
  - [2] Damage arising from cessation of work
  - [3] as regards Damage directly caused by malicious persons not acting on behalf of or in connection with any political organisation
    - [a] the Insured's Contribution
    - [b] Damage in the course of theft or attempted theft
- 4 Storm or flood excluding
  - [1] the Insured's Contribution
  - [2] Damage solely due to change in the water table level
  - [3] Damage caused by frost subsidence ground heave or landslip
  - [4] Damage to fences and gates unless caused by falling trees or there is Damage to structural parts of the Buildings at the same time
  - [5] Damage to trees plants shrubs and turf unless there is Damage to the Buildings at the same time



- 5 Escape of water or oil from any tank apparatus pipe or appliance excluding
- [1] the Insured's Contribution
  - [2] Damage by water discharged or leaking from an automatic sprinkler installation
- 6 Impact by any road or rail vehicle (including any fork lift truck or other industrial vehicle) or animal excluding the Insured's Contribution
- 7 Accidental escape of water from any automatic sprinkler installation excluding Damage
- [1] by freezing in any building which is Empty Disused or Unoccupied
  - [2] by heat caused by fire
- 8 Theft or attempted theft excluding
- [1] the Insured's Contribution
  - [2] any loss which the Insured is able to recover from another source
- 9 Subsidence ground heave or landslip excluding
- [1] the Insured's Contribution
  - [2] Damage arising from the settlement or movement of made-up ground or by coastal or river erosion
  - [3] Damage resulting from
    - the construction demolition structural alteration or structural repair of any property
    - groundworks or excavation works at the Premises
  - [4] Damage arising from normal settlement or bedding down of new structures
  - [5] Damage commencing prior to the granting of cover under this insurance
- 10 Any other accident excluding
- [1] the Insured's Contribution
  - [2] Damage by any
    - [a] of the Covers
    - [b] of the causes expressly excluded from the Covers specified in paragraphs 1-9 (whether or not insured)
  - [3] Damage to any property caused by
    - [a] its own faulty or defective design or materials
    - [b] inherent vice latent defect gradual deterioration wear and tear
    - [c] faulty or defective workmanship on the part of the Insured or any of their employees
- but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded

[4] Damage caused by

- [a] corrosion rust wet or dry rot marring scratching vermin insects
- [b] joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
- [c] mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates

but this shall not exclude

- [i] such Damage which itself results from other Damage and is not otherwise excluded
- [ii] subsequent Damage which itself results from a cause not otherwise excluded

Damage caused by

- [a] pollution or contamination unless resulting from a sudden identifiable unintended and unexpected cause which
  - occurs in its entirety at a specific moment in time and place during any one Period of Insurance
  - is not otherwise excluded
- [b] disappearance or unexplained loss

[5] Damage to any building or structure caused by its own collapse or cracking unless resulting from a sudden identifiable and unexplained cause which occurs in its entirety at a specific moment in time and place during any one Period of Insurance and which

- does not result from
  - [i] the construction demolition structural alteration or structural repair of any property
  - [ii] groundworks or excavation works

at the Premises

- is not otherwise excluded

## Insured's Contribution

This insurance does not cover the Insured's Contribution as stated below or as otherwise printed on the Schedule

Cover	Insured's Contribution
3	£100
4	£100
5	£100
6	£100
8	£100
9	£1,000
10	£100

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## Buildings – The Basis of Settlement of Claims

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The Insurer will pay the following amounts in respect of Buildings which have suffered Damage

- [i] **the cost of rebuilding** being
  - the cost incurred in rebuilding the Buildings (or of restoring the damaged parts)
  - to a condition substantially the same as but not better or more extensive than their condition when new or if in the Schedule it is stated that the Alternative Basis of Settlement applies
    - less an appropriate deduction for wear and tear
  - or if the Insured elects not to rebuild or restore the Buildings (and the Insurer does not exercise its option allowed by the Insurer's Option to Rebuild Clause)
- the loss of market value** being
  - the reduction in the market value of the Buildings immediately following the Damage solely as a result of the Damage but not exceeding the amount which would have been payable under the cost of rebuilding
  - or if the Insured is unable to rebuild or restore the Buildings totally or partially in their original form by virtue of Stipulations
- the loss of market value** being
  - the reduction in market value of the Buildings immediately following Damage solely as a result of the Damage in excess of the amount payable under the cost of rebuilding provided that
    - [a] the Insured have made every effort to regain the original planning consent
    - [b] the Insured shall not have nor had any reason to be aware of Stipulations which could result in the Buildings not being repaired or restored in their original form
    - [c] the amount payable in excess of the cost of rebuilding shall be reduced by any compensation received as a result of Stipulations being imposed and the Insurer's liability shall not exceed £500,000 any one claim
- [ii] the cost of complying with Stipulations being such additional cost of rebuilding or repair as may be incurred with the Insurer's consent in complying with Stipulations first imposed upon the Insured following the Damage but the Insurer shall not be liable for
  - [1] in respect of the cost of complying with Stipulations relating to undamaged portions of the Buildings (other than for foundations) any cost which in total exceeds 15% of the amount the Insurer would have been liable to pay to reinstate the Buildings had they been wholly destroyed
  - [2] any rate tax duty development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the Stipulations

[iii] **the cost of removing debris** being the cost incurred with the Insurer's consent in

[1] removing debris dismantling demolishing shoring up and propping portions of Buildings

[2] clearing cleaning or repairing Services as a result of Damage

but excluding any costs or expenses

[a] incurred in removing debris from outside the site of the Premises other than from the surface area immediately adjacent to the perimeter of the Premises

[b] incurred or arising from pollution or contamination howsoever caused of property not covered by this insurance

[c] in respect of Damage which occurred prior to the granting of cover under this insurance

provided that in respect of pollution or contamination the Insurer's liability arising from the removal of debris from car parks roads pavements and similar surfaces all constructed of solid materials as defined within Buildings shall not exceed £500,000 in any one Period of Insurance or the Sum Insured whichever is the less

[iv] **the cost of professional fees** being

those necessarily incurred in the rebuilding or repair including fees payable to the Insured's managing agents when acting as professional advisers but not any costs incurred in preparing claims The use of such advisers will be accepted as necessary where the Insured would have employed them in respect of reinstatement or other work of an equivalent nature in the normal course of their business

The cost of professional fees shall include the reasonable fees of managing agents where

- they are in respect of work of benefit to the Insurer
- they relate to work which is necessary for repair or reinstatement
- they have been agreed with the Insurer in advance

but not fees which are incurred as part of the managing agent's general administrative duties or purely in connection with the preparation or administrative handling of a claim

[v] **the cost of replanting trees shrubs plants and turf used in landscaping being**

the cost incurred in restoring any such item of landscaping to its appearance when first planted but excluding any cost arising from the failure of these items to germinate or become established

[vi] **additional sprinkler costs** being

the costs incurred in upgrading an automatic sprinkler installation to the current LPC Rules solely as imposed upon the Insured by the Insurer following Damage to the Buildings provided that at the time of Damage the installation conformed to the 28th or 29th Edition Rules or to the LPC Rules current at the time of installation but did not conform to subsequent amendments to those Rules

[vii] **extinguishment and alarm resetting expenses** being

the reasonable costs incurred by the Insured in refilling fire extinguishing appliances replacing used sprinkler heads and resetting fire or intruder alarms

[viii] **the cost of additional electricity gas oil or water charges** being

those incurred by the Insured as a result of Damage except those in respect of any loss which has not been discovered and remedial action taken within 30 days of occurrence of the Damage

[ix] **the cost of any insurance premiums or in respect of inherent defects policies technical agents fees being**

those necessarily and reasonably incurred by the Insured with the consent of the Insurer in arranging contract works policies with the Insurer or in continuing any pre-existing inherent defects policies

except that in the event of Underinsurance the amount payable shall be adjusted in accordance with the Underinsurance Clause

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## Clauses Applicable to Items on Buildings

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### Bees and Wasps Nest Removal

The insurance by each item on Buildings includes the reasonable costs of removing bees or wasps nests other than those nests which were already in the Buildings prior to the inception of this insurance

The Insurer's liability under this extension shall not exceed £5,000 in respect of any one loss or claim

### Buildings Awaiting Demolition

If at the time of the Damage any Buildings are awaiting demolition the liability of the Insurer shall be limited to the additional cost of removing debris as detailed in Buildings – The Basis of Settlement of Claims paragraph [iii] which are incurred by the Insured solely as a result of such Damage

### Buildings awaiting Refurbishment Redevelopment or Renovation

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

### Insurer's Option to Rebuild

The Insurer may at its option rebuild or restore the Buildings destroyed or portions damaged without being bound to rebuild or restore the Buildings in exactly the same form as immediately prior to the Damage where circumstances do not reasonably permit. The Insured shall at their own expense produce and give to the Insurer all such plans documents books and information as the Insurer may reasonably require

### Delays in Rebuilding

The Insurer shall not be liable for increases in costs attributable to unreasonable delays in rebuilding or restoring or complying with Stipulations unless such delays are wholly outside the control of the Insured

### Eviction of Squatters Legal Expenses

The Insurer will pay the legal costs and expenses incurred by or on behalf of the Insured to evict Squatters from any of the Premises or parts thereof

Provided that

- [i] the Insured agrees with the Insurer a representative to act for the Insured. The Insured will need to satisfy the Insurer that their chosen representative has the necessary expertise to deal with the legal proceedings
- [ii] such costs are reasonable and incurred with the Insurer's written consent
- [iii] the Insured shall take all reasonable precautions to avoid any Premises or parts thereof becoming occupied by any party other than the party named on the Tenancy Agreement
- [iv] the Insured must send to the Insurer all bills for their chosen representative's legal fees as soon as the Insured receives them
- [v] the Insurer must be able to contact the Insured's chosen representative. If the representative wishes to consult a barrister or expert witness the Insurer must first be consulted in writing for confirmation that such action is appropriate
- [vi] the Insurer's liability under this clause shall not exceed £5,000 in respect of any one insured incident or £10,000 in respect of all insured incidents occurring during any one Period of Insurance

For the purpose of this clause

Squatters shall mean any person(s) in unlawful occupation of the Premises

Tenancy Agreement shall mean an agreement with a tenant to occupy Premises in return for the payment of Rent

## **Fly Tipping**

The Insurance by each item on Buildings extends to include the reasonable costs of clearing and removing any property illegally deposited in or around the Premises provided the Insurer's liability shall not exceed £5,000 in respect of any one claim

An Insured's Contribution of £1,000 applies

## **Further Investigation Expenses**

Where a Building has suffered Damage and in the opinion of a competent construction professional there is a reasonable possibility of other Damage to portions of the same Building which is not immediately apparent the Insurer will pay the reasonable costs incurred by the Insured with the Insurer's prior consent in establishing whether or not such Damage has occurred

The Insurer will also pay the reasonable costs incurred by the Insured in establishing whether or not other Buildings in the vicinity have suffered Damage in the same incident but only if such Buildings are subsequently found to have suffered such Damage for which the Insurer is liable

## **Glass Cover Extension**

The cover granted under this insurance in respect of Damage to fixed glass includes the reasonable cost of

- [a] any necessary boarding up or temporary glazing pending replacement of broken glass
- [b] removing and refixing window fittings and other obstacles to replacement

## **Loss Minimisation and Prevention Expenditure**

The Insurer will pay the costs and expenses necessarily and reasonably incurred by or on behalf of the Insured to

- [a] prevent or minimise further insured Damage at the Premises
- [b] prevent Damage threatened by the illegal deposit of combustible property in on or around the Premises

Provided that such costs are

- [i] as a direct result of or directly related to the Damage or threatened Damage
- [ii] not more specifically insured under this or any other policy bond indemnity security or other legally binding contract
- [iii] incurred with the Insurer's consent

For the purpose of this clause the Insurer's liability shall not exceed £10,000 in respect of any one Period of Insurance and shall be subject to an Insured's Contribution of 10% or £250 whichever is the greater

## **Obsolete Building Materials**

This Policy extends to include the reasonable additional costs incurred in replacement of damaged materials which given consideration to the scientific and technical knowledge at the time of installation construction or fitting were reasonably deemed to be fit for the purpose intended but require replacement with more suitable modern materials after the Damage

The Buildings shall not be regarded as being better or more extensive than when new provided that the Insurer's liability shall not exceed 10% of the Declared Value of such Buildings in respect of such additional costs

## **Partial Damage**

Where Damage occurs to only part of the Buildings the Insurer's liability shall not exceed for all costs in total the amount which the Insurer would have been liable to pay to rebuild the Buildings had they been wholly destroyed



## **Rebuilding on Another Site**

The Buildings may be wholly or partially rebuilt on another site and in any manner suitable to the requirements of the Insured provided that it does not increase the Insurer's liability

## **Reinstatement to Match**

This Section of the Policy extends to include the cost of replacement repair or modification of undamaged parts of 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

The Insurer's liability under this clause shall not exceed the amount that would have been payable for replacement repair or modification of the whole property forming a suite common design or function if such property had been wholly destroyed

## **Replacement of Locks**

Any cover granted under this Section of the Policy in respect of theft includes the reasonable expenses necessarily incurred in replacing locks which provide entry to the Premises or safes or strongrooms therein consequent upon theft of keys or reasonable evidence that keys have been duplicated by an unauthorised person subject to a maximum liability any one claim of £5,000

## **Trace and Access**

In the event of Damage resulting from escape of water or oil (if insured hereby) the Insurer will pay

- [i] the costs necessarily and reasonably incurred in locating the source of such Damage and subsequently making good
- [ii] the cost of repairing or replacing tanks apparatus pipes or appliances which have been damaged by freezing but the Insurer's maximum liability any one claim will be £25,000

## **Tree Felling**

The Insurer will pay the costs of Damage resulting from falling trees including the cost of removal of fallen trees and or parts thereof or the cost of felling and or lopping and removal of trees which represent an immediate threat to Buildings as a result of an insured Cover.

The Insurer's liability shall not exceed £500 any one claim and £2,500 in the aggregate in any one Period of Insurance

## **Unauthorised Use of Electricity Gas or Water**

The Insurer will pay the cost of electricity gas or water for which the Insured are legally responsible arising from its unauthorised use by persons taking possession keeping possession or occupying the Premises without the Insured's authority

It is a condition of this clause that such Premises have been inspected weekly by a responsible person on behalf of the Insured and that all practicable steps are taken to terminate such unauthorised use as soon as it is discovered and not later than 30 days after the unauthorised use commenced

## **Underinsurance**

If the Declared Value of any Buildings which has suffered Damage is less than the Day One Rebuilding Value then the Insurer's liability for any loss shall be limited to that proportion of the amount otherwise payable which the Declared Value on the Buildings bears to the Day One Rebuilding Value

If the loss is settled under the Alternative Basis of Settlement the Declared Value shall be 120% of the base value shown or if no base value is shown it shall be deemed to be the Sum Insured

## **Value Added Tax**

The insurance by each item on Buildings extends to include Value Added Tax paid by the Insured which is not subsequently recoverable

Provided that

- [1] [a] the Insured's liability for such tax arises solely as a result of the reinstatement or repair of the Buildings to which such item relates following Damage
  - [b] the Insurer has paid or agreed to pay for such Damage
  - [c] if the payment made by the Insurer in respect of reinstatement or repair of such damage is less than the actual cost of reinstatement or repair any payment under this clause resulting from the Damage shall be reduced in like proportion
- [2] the Insured's liability for such tax does not arise from the replacement Buildings having greater floor area than or being better or more extensive than the destroyed or damaged Buildings
- [3] where the Rebuilding on Another Site option has been exercised the Insurer's liability under this clause shall not exceed the amount of tax that would have been payable had the Buildings been rebuilt on its original site
- [4] the Insurer's liability under this clause shall not include amounts payable by the Insured as penalties or interest for non-payment or late payment of tax

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## Rent – The Basis of Settlement of Claims

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The Insurer will pay in respect of Buildings which have suffered Damage

[i] **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 (including reductions as a direct consequence of the turnover of the lessee's business being reduced)

[ii] **the cost of reletting** being

the costs incurred from the date of the Damage until the expiry of the Indemnity Period in reletting the Buildings (including legal fees in connection with the reletting) solely in consequence of the Damage

[iii] **the additional expenditure** being

the expenditure (other than that recoverable under [ii] above) incurred in consequence of the Damage solely to avoid or minimise the loss of Rent during the Indemnity Period

[iv] **accelerated reinstatement expenditure** being

the further additional expenditure incurred during the Indemnity Period in consequence of the Damage solely to avoid or minimise any loss of Rent not recoverable by the Insured under this or any other policy during the twelve months immediately after the expiry of the Indemnity Period

all costs being necessarily and reasonably incurred but in no case shall the amounts payable under [iii] and [iv] exceed the reduction avoided by such expenditure

except that in the event of Underinsurance the amount payable shall be adjusted in accordance with the Underinsurance Clause

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## Clauses Applicable to Items on Rent

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### Alternative Accommodation – Reduction of Loss

If in consequence of the Damage the Insured shall use other premises to provide accommodation to tenants the Rent received from those premises during the Indemnity Period shall be taken into account in assessing the loss of Rent

### Buildings Awaiting Sale

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

- [a] 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 solely in consequence of the Damage
- [b] during the period commencing with the date upon which but for the Damage the Buildings would have been sold and ending with the actual date of sale or with the expiry of the Indemnity Period if earlier
  - the loss in respect of interest** being
    - [1] the actual interest incurred on capital borrowed (solely to offset in whole or part the loss of use of the sale proceeds) for the purpose of financing the Business
    - [2] the investment interest lost to the Insured on any balance of the sale proceeds after deduction of any capital borrowed as provided under [1]
  - less any amount receivable in respect of Rent
- [c] the additional expenditure being
  - [1] the additional expenditure and the accelerated reinstatement expenditure as defined in the Rent Basis of Settlement of Claims
  - [2] the additional legal fees and other expenditure reasonably and necessarily incurred solely as a result of the cancellation or delay in consequence of the Damage but not exceeding the expenditure incurred immediately prior to the Damage

except

- [i] the amount payable shall be adjusted to provide for any benefit derived by the Insured from cancellation of or delay in the sale so that it represents as nearly as may be reasonably practicable the actual loss suffered by the Insured
- [ii] in the event of underinsurance the amount payable shall be adjusted in accordance with the Underinsurance Clause

### Failure of Utilities

The insurance by each item on Rent is extended to include Damage arising from the failure of the supply of

- [a] electricity at the terminal ends of the supplier's service feeders at the Premises
- [b] gas at the supplier's meters at the Premises
- [c] water at the supplier's main stopcock serving the Premises

by any cause other than

- [1] the deliberate act of any supplier
- [2] by any such supplier exercising its power to withhold or restrict supply
- [3] by drought

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum(s) Insured by the relevant item(s) or £25,000 whichever is the less

### **Legionellosis (Loss of Rent)**

The insurance by each item on Rent is extended to include Damage arising from any outbreak of Legionellosis at the Premises causing restrictions on the use thereof on the order or advice of a competent responsible public authority

Provided that

- [i] for the purposes of this clause Premises shall mean Premises which are directly affected by the Damage
- [ii] the Insurer shall not be liable under this clause for any costs incurred in cleaning repair replacement or inspection of property except those costs and expenses 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 a competent public authority
- [iii] the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum(s) Insured by the relevant item(s) or £250,000 whichever is the less

### **Loss of Attraction (Leased Premises)**

The insurance by each item on Rent is extended to include loss as insured resulting solely from Damage by any cause or cover insured hereby to buildings or other property at any location in the immediate vicinity of the Premises in consequence of which the turnover of the lessee's business is affected and the Rent receivable by the Insured is reduced

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum(s) Insured by the relevant item(s) or £50,000 whichever is the less

### **Loss of Attraction (Unleased Premises)**

The insurance by each item on Rent is extended to include loss as insured resulting solely from Damage by any cause or cover insured hereby to buildings or other property at any location in the immediate vicinity of the Premises in consequence of which an agreement to lease the Premises in the course of negotiation is avoided or delayed and the Rent receivable by the Insured is reduced

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum(s) Insured by the relevant item(s) or £50,000 whichever is the less

### **Loss of Investment Income on Late Payment of Rent**

If as a result of Damage the Insurer is paying indemnity in respect of loss of Rent and the payment by the Insurer to the Insured is made later than the date upon which the Insured would normally have expected to receive the Rent from a lessee the Insurer will pay a further sum representing the investment interest lost to the Insured during the delay period

### **Managing Agents Premises**

The insurance by each item on Rent is extended to include loss as insured resulting solely from Damage by any cause or cover insured to buildings or other property at any location in the United Kingdom owned or occupied by the Insured's managing agents for the purposes of their business in consequence of which the Rent receivable by the Insured is reduced

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum(s) Insured by the relevant item(s) or £25,000 whichever is the less

## **Material Damage Proviso – Applicable separately to each Item**

This insurance shall not apply in respect of any item on Rent unless at the time of the Damage there shall be in force an insurance covering the interest of the Insured in the Buildings where the Damage has occurred and

- [1] payment shall have been made or liability admitted under such insurance or
- [2] payment would have been made or liability would have been admitted thereunder but for the operation of a proviso excluding liability for losses below a specified amount

except that this clause shall not apply in respect of any item on Rent where another party (not being the Insured) is responsible for insuring the Buildings by virtue of lease or other contractual arrangements

## **Notifiable Disease Vermin Defective Sanitary Arrangements Murder and Suicide**

The insurance by each item on Rent is extended to include Damage arising from

- [1] [a] any occurrence of Notifiable Disease
  - [i] at the Premises or
  - [ii] attributable to food or drink supplied from the Premises
- [b] any discovery of an organism at the Premises likely to result in the occurrence of a Notifiable Disease at the Premises
- [2] the discovery of vermin or pests at the Premises which causes restrictions on the use of the Premises on the order or advice of a competent public authority
- [3] any accident causing defects in the drains or other sanitary arrangements at the Premises which causes restrictions on the use of the Premises on the order or advice of a competent public authority
- [4] any occurrence of murder or suicide at the Premises

Provided that

- [a] for the purposes of this clause the Indemnity Period shall commence
  - [i] in the case of [1] [a] [1] [b] and [4] above from the date of the occurrence or discovery of the incident
  - [ii] in the case of [2] and [3] above from the date on which the restrictions to the Premises are applied
- [b] the Insurer shall not be liable under this clause
  - [i] for any costs incurred in the cleaning repair replacement recall or checking of property
  - [ii] for loss arising at Premises which are not directly subject to the occurrence or accident
- [c] the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum(s) Insured by the relevant item(s) or £50,000 whichever is the less

## **Payments on Account**

Payments on account will be made to the Insured in respect of claims for loss of Rent on the date upon which but for the Damage the Rent would have been due from the lessee

## Prevention of Access

The insurance by each item on Rent is extended to include Damage caused by prevention or hindrance of access to the Premises or prevention of use of the Premises in consequence of

- [1] Damage by any cause or cover insured hereby to property in the immediate vicinity of the Premises
- or
- [2] the Premises or any property or rights of way in the immediate vicinity of the Premises being
  - [a] occupied by any person or persons carrying out or thought to be carrying out an act of Terrorism
  - [b] unlawfully occupied by third parties except in the course of a dispute between any employer and employee or group of workers
  - [c] thought to contain or actually containing a harmful device provided that the police are immediately informed
  - [d] closed down or sealed off in accordance with instructions issued by the police or by any other statutory body except where the cause of such closure or sealing off is
    - [i] the condition of the Premises or the business carried on within the Premises
    - [ii] the Insured's or lessee's non compliance with a prior order of the police or any statutory body
    - [iii] action taken as a result of drought or diseases or other hazards to health

Provided that

- [a] the Insurer shall not be liable under this clause for
  - [i] loss arising from any cause within the control of the Insured or lessee
  - [ii] loss which is the direct result of repairs or maintenance being carried out to property as a result of inherent defect or wear and tear
- [b] the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum(s) Insured by the relevant item(s) or £75,000 whichever is the less in respect of all other losses

## Professional Accountants and Legal Fees Clause

If any of the Buildings suffer Damage the Insurer will pay the reasonable charges payable by the Insured and incurred with the consent of the Insurer to

- [1] their professional accountants for producing such information as may be required by the Insurer under the terms of paragraph [b] of the Action by the Insured Claims Condition and for reporting that such information is in accordance with the Insured's accounts
- [2] their lawyers for determining their contractual rights under any Rent Cessor clause or insurance break clause contained in the lease but not for any other purposes in the preparation of any claim

## Rent Free Period

If at the date of the Damage any Premises insured by this Policy are subject to a rent free period concession under the terms of the lease then the Indemnity Period stated in the Schedule shall be adjusted by adding the unexpired portion of the rent free period to the number of years shown in the Schedule provided that the Insurer's liability shall in no case exceed 200% of the Sum Insured specified against the relative item or any Limit of Liability stated in the Policy whichever is the lower



## **Rent of Residential Buildings**

In the event that Premises occupied solely or partially for residential purposes suffer Damage and no Sum Insured on Rent for the residential portions has been allocated then this Policy extends to include such loss of Rent and other costs as specified under Rent – The Basis of Settlement of Claims

For the purposes of this clause

- Indemnity Period shall be a maximum period of three years from the date of the Damage for which the Insurer shall be liable to pay any loss
- the Underinsurance Clause is deleted

This clause will also indemnify the Insured in respect of any expenditure incurred in the provision of comparable accommodation required as a direct result of insured Damage for the benefit of any lessee to comply with the requirements of the lease or if the Insured is a residents association or management company or organisation acting for the residents of the Premises any expenditure incurred in the provision of comparable accommodation for the benefit of any resident who resides at the Premises at the time any Damage occurs

In respect of any liability for the costs of comparable accommodation the Insurer's liability shall cease on the day the Premises become habitable for normal living purposes

The Insurer's liability under this clause shall not exceed 20% of the Sum Insured applicable to the residential portion of the Buildings item of the Premises which have suffered Damage

## **Savings**

If any charge or expense payable out of Rent shall cease or reduce during the Indemnity Period in consequence of the Damage the sum saved shall be deducted from the amount otherwise payable under this insurance before the application of the Underinsurance clause

## **Underinsurance**

If the Rent Sum Insured on the Premises which has suffered Damage is less than the Day One Rental Value the Insurer's liability for any loss shall be limited to that proportion of the amount otherwise payable which the Rent Sum Insured bears to the Day One Rental Value

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# General Clauses Applicable to Property Damage Insurance

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## Alterations and Additions to the Premises

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

### Item on Buildings

the Declared Value and Sum Insured shall each be increased by a percentage representing the value of the alterations or additions but not exceeding either 20% or £500,000 whichever is the less

### Item on Rent

if the Rent receivable is to increase following completion of the alterations or additions the Sum Insured shall be increased by the anticipated amount of the additional Rent for the Indemnity Period insured but not exceeding either 20% or £250,000 whichever is the less

## Automatic Cover – Newly Acquired/Constructed/Refurbished Properties

This insurance is extended to include cover for premises

- [1] newly acquired by the Insured
- [2] newly constructed or refurbished for the Insured and where practical completion has been achieved in the United Kingdom to the extent that the Insured's interest is not protected by any other more specific insurance

Provided that

- [a] as soon as reasonably practicable the Insured shall notify the Insurer in writing of each premises acquired / constructed / refurbished and arrange specific cover with the Insurer
- [b] this cover shall operate for a maximum period of 30 days from the date the Insured acquired their interest in the premises
- [c] this insurance shall not apply in respect of any cause or cover otherwise excluded from this Section of the Policy
- [d] the Insurer's liability any one claim for Buildings and Rent shall not exceed £500,000 any one premises
- [e] in respect of any premises undergoing or awaiting refurbishment redevelopment renovation or demolition the Alternative Basis of Settlement shall apply in respect of Buildings

## Automatic Reinstatement of Sum Insured

In the absence of written notice by the Insurer or the Insured to the contrary within 30 days of the notification of any Damage the Sums Insured by this insurance will not be reduced by the amount of any loss subject to the Insured paying any appropriate additional premium on the amount of the loss

## Contracting Purchaser's Interest

If at the time of any insured Damage the Insured shall have contracted to sell their interest in any Premises insured and the purchase is subsequently completed the purchaser shall be entitled on completion of the purchase to the benefit of this Policy on Buildings and Rent in respect of such Damage to the extent that such Buildings are not otherwise insured by the purchaser or on their behalf without prejudice to the rights and liabilities of the Insured or the Insurer until completion

In respect of insurance on Rent where Damage has occurred prior to exchange of contracts and the purchase is subsequently completed the purchaser shall be entitled on completion of the purchase to the benefit of the Rent insurance to the same extent as the Insured would have if the Premises had not been sold

## Fire Protection Equipment

The Insured shall take all reasonable measures to ensure that

- [i] any sprinkler or alarm installation or other fire protection equipment for which a reduced premium rate is allowed is maintained in efficient working order
- [ii] the routine tests prescribed by the Insurer are carried out and any defects revealed by such tests are promptly remedied
- [iii] the Insurer's written consent is obtained to any proposed changes repairs or alterations to any sprinkler or alarm installation

## General Interests

The interests of freeholders lessees underlessees assignees and/or mortgagees of Buildings insured by this Section of the Policy are noted in the insurance provided subject to their names being disclosed to the Insurer by the Insured in the event of any claim arising

## Non-Invalidation

This insurance shall not be prejudiced

- [a] by repairs structural and other alterations all of a minor nature and general maintenance work being undertaken at the Premises
- [b] by any increase in risk of Damage resulting from an alteration act or omission which occurs without the authority or knowledge of the freeholder mortgagee or lessor

but this shall only protect the interest of the freeholder mortgagee or lessor and shall only apply if the Insurer be notified immediately on the party becoming aware of the increase in risk and the payment of any reasonable additional premium

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## General Conditions Applicable to Property Damage Insurance

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### Alteration

The insurance by this Section of the Policy shall be avoided in respect of any Premises where there is any alteration after the commencement of this insurance

[a] by removal

or

[b] by a tenant vacating the Buildings or taking up occupation of the Buildings

or

[c] which increases the risk of Damage as insured by the Policy

or

[d] whereby the interest of the Insured ceases except by will or operation of law

or

[e] in respect of subsidence ground heave or landslip by any building demolition or excavation work being carried out on any adjoining site

unless admitted by the Insurer in writing

### Policy Voidable

The insurance by this Section of the Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular

### Reasonable Precautions

The Insured shall take all reasonable precautions to prevent Damage as insured by this Section of the Policy

### Territorial Limits

The insurance by this Section of the Policy shall apply

[a] in respect of the Insured's Premises situated in the United Kingdom and insofar as this insurance extends to include property at other locations

[b] elsewhere in the United Kingdom and the Republic of Ireland

### Warranties

Every warranty to which the Buildings or any item thereof is or may be made subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this insurance

Non-compliance with any such warranty insofar as it increases the risk of Damage as insured by this Section of the Policy shall be a bar to any claim in respect of such Damage provided that whenever this insurance is renewed a claim in respect of Damage occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period

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# Legal Liabilities Insurance – The Cover

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## Liability Section 1 – Employers' Liability

***The insurance provided by Section 1 is on a costs inclusive basis whereby the costs and expenses of the claimant and the costs and expenses (incurred by the Insurer or with the Insurer's written consent) of any Person Entitled to Indemnity are included within the Limit of Indemnity stated in the Schedule***

The Insurer will provide indemnity to any Person Entitled to Indemnity

- [1] against legal liability for damages in respect of Injury of any Person Employed caused during any Period of Insurance
  - [a] in the United Kingdom
  - or
  - [b] while temporarily outside these territoriesarising out of and in the course of employment by the Insured in the Business
- [2] against legal liability for claimant's costs and expenses in connection with [1] above
- [3] in respect of
  - [a] costs of legal representation at
    - [i] any coroner's inquest or inquiry in respect of any death
    - [ii] proceedings in any court arising out of any alleged breach of statutory duty resulting in Injury which may be the subject of indemnity by this Section
  - [b] all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under [1] aboveincurred with the Insurer's written consent

Provided that in respect of any one Event

- [1] the total amount payable by this Section (including all clauses) shall not exceed
  - [a] £5,000,000 where the Event arises directly or indirectly out of Terrorism
  - [b] the Limit of Indemnity in respect of all other Events
- [2] the Insurer may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Insurer the claims arising out of such Event can be settled The Insurer will then relinquish control of such claims and be under no further liability in respect thereof

## Liability Section 2 – Property Owners’ Public Liability

The Insurer will provide indemnity to any Person Entitled to Indemnity

- [1] up to the Limit of Indemnity against legal liability for damages in respect of
  - [a] accidental Injury of any person
  - [b] accidental loss of or damage to Property
  - [c] nuisance trespass to land or trespass to goods or interference with any easement right of air light water or way other than legal liability for damages which result from a deliberate act or omission of the Insured or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission

happening during any Period of Insurance in connection with the Business

- [2] against legal liability for claimant’s costs and expenses in connection with [1] above

- [3] in respect of

- [a] costs of legal representation at
  - [i] any coroner’s inquest or inquiry in respect of any death
  - [ii] proceedings in any court arising out of any alleged breach of statutory duty resulting in any occurrence specified in [1] above
- [b] all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under [1] above

incurred with the Insurer’s written consent

Provided that in respect of

- [a] any one Event
- [b] all Events occurring during any Period of Insurance in respect of products supplied
- [c] all incidents considered by the Insurer to have occurred during any Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or of the atmosphere

the following shall apply

- [1] the total amount payable by this Section in respect of [1] above and all clauses shall not exceed the Limit of Indemnity
- [2] the Insured’s Contribution (if applicable) will be payable before the Insurer shall be liable to make any payment
- [3] the Insurer may at any time pay the Limit of Indemnity (less any sums already paid as damages) or any less amount for which at the absolute discretion of the Insurer the claims arising out of such Event can be settled The Insurer will then relinquish control of such claims and be under no further liability in respect thereof except for costs and expenses for which the Insurer may be responsible prior to the date of such payment

## Liability Section 3 – Legal Defence Costs

The Insurer will provide indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured up to the Limit of Indemnity in respect of

- [a] legal costs and other expenses incurred with the Insurer's written consent
- [b] costs awarded against the Insured or any director partner or Person Employed

in connection with the defence of criminal proceedings brought or in appeal against a conviction arising from such proceedings relating to an offence alleged to have been committed during any Period of Insurance in the course of the Business but only in respect of proceedings brought as stated in Parts **A** and **B** below

### Part A

In respect of a breach of

- [1] the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 where the proceedings relate to the health safety and welfare of any Person Employed director or partner of the Insured

### Part B

In respect of a breach of

- [1] the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 where the proceedings relate to the health safety and welfare of any person other than a Person Employed director or partner of the Insured
- [2] Part II of the Consumer Protection Act 1987

Provided that in respect of Parts **A** and **B**

- [1] the indemnity will not apply
  - [a] to fines or penalties of any kind
  - [b] to compensation ordered or awarded by a court of criminal jurisdiction
  - [c] where Injury of any person or loss of or damage to Property has occurred
  - [d] where indemnity is provided by any other insurance
  - [e] any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to Asbestos Asbestos Dust or Asbestos Containing Materials
  - [f] to proceedings consequent upon any deliberate act or omission by
    - [i] the Insured
    - [ii] any partner or director of the Insured
    - [iii] any Employee with any specific responsibility for compliance with the legislation specified above which could reasonably have been expected to constitute a breach of the legislation specified above
- [2] the Insurer may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Insurer the claims arising can be settled but including any amount for which the Insurer may be responsible incurred prior to the date of such payment The Insurer will then relinquish control of such claims and be under no further liability in respect thereof
- [3] where the Insurer is liable to indemnify more than one person the total amount payable as indemnity shall not exceed the Limit of Liability



## Corporate Manslaughter – Other Costs and Expenses

Section 3 – Legal Defence Costs is extended to indemnify the Insured in respect of costs of legal representation at

- [i] the defence of any criminal proceedings brought or in appeal against the Insured director partner or Employee of the Insured for an offence of manslaughter in connection with the Business
- [ii] proceedings in any court arising out of any alleged breach of statutory duty arising from the Corporate Manslaughter and Corporate Homicide Act 2007 resulting in Injury which may be the subject of indemnity under the Legal Liabilities Insurance of this Policy

incurred with the Insurer's prior written consent

The Insurer shall not be liable for

- [i] fines or penalties
- [ii] compensation ordered or awarded by a court of criminal jurisdiction
- [iii] aggravated exemplary or punitive damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

## Liability Section 4 – Legionellosis Liability

***The insurance provided by Liability Section 4 is on a claims made basis with the costs and expenses of the claimant and the costs and expenses (incurred with the Insurer's written consent) of any Person Entitled to Indemnity included within the Limit of Indemnity stated in the Schedule***

The Insurer will provide indemnity to any Person Entitled to Indemnity

- [1] against legal liability for damages and claimant's costs and expenses in respect of accidental Injury caused by Legionellosis arising out of the Business where
  - [a] the claim is first made in writing to the Insured (or any other Person Entitled to Indemnity) during the Period of Insurance
  - or
  - [b] the first notification of any circumstance which
    - [i] has caused or is alleged to have caused Injury
    - or
    - [ii] can be reasonably expected to give rise to a claim which may be the subject of the indemnity provided aboveis notified to the Insurer
  - [1] during
  - or
  - [2] within thirty days after expiry ofthe same Period of Insurance
- [2] in respect of
  - [a] costs of legal representation at
    - [i] any coroner's inquest or inquiry in respect of any death
    - [ii] proceedings in any court arising out of any alleged breach of statutory duty resulting in any Injury specified in [1] abovewhich may be the subject of indemnity by this Section
  - [b] all other costs and expenses in relation to any matter which may form the subject of indemnity under [1] above incurred with the Insurer's written consent

Provided that

- [1] the total amount payable by this Section (including all clauses) shall not exceed the Limit of Indemnity
- [2] the Insured's Contribution (if applicable) will be payable before the Insurer shall be liable to make any payment
- [3] the Insurer may at any time pay the Limit of Indemnity (less any sums already paid) or any less amount for which at the absolute discretion of the Insurer the claim or claims can be settled. The Insurer will then relinquish control of such claims and be under no further liability in respect thereof
- [4] all claims arising out of the same isolated repeated or continuing incidence of Legionellosis shall be deemed to be made in the Period of Insurance when
  - [a] the first claim was first made in writing to the Insured or to any Person Entitled to Indemnity and notified to the Insurer or
  - [b] the first notification of any circumstance was first made to the Insurer
- [5] the indemnity will only apply where shown in the Schedule

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# Clauses Applicable to Legal Liabilities Insurance

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## Applicable to Liability Sections 1 2 and 4 only

### Compensation for Court Attendance

In the event of any of the undermentioned persons attending court as a witness at the request of the Insurer in connection with a claim in respect of which the Insured is entitled to indemnity the Insurer will provide compensation to the Insured at the following rates per day for each day on which attendance is required

- |     |  |      |
|-----|--|------|
| [a] | any director or partner of the Insured | £500 |
| [b] | any Employee                           | £250 |

## Applicable to Liability Section 1 only

### Unsatisfied Court Judgements

In the event of a judgement for damages being obtained by any Employee or the personal representatives of any Employee in respect of Injury of the Employee caused during the Period of Insurance and arising out of and in the course of employment by the Insured in the Business against any Insurer or individual operating from premises within the United Kingdom in any court situate in the United Kingdom and remaining unsatisfied in whole or in part six months after the date of such judgement at the request of the Insured the Insurer will pay to the Employee or the personal representatives of the Employee the amount of any such damages and any awarded costs to the extent that they remain unsatisfied

Provided that

- [a] there is no appeal outstanding
- [b] if any payment is made under the terms of this clause the Employee or the personal representatives of the Employee shall assign the judgement to the Insurer

## Applicable to Liability Section 2 only

### Contingent Motor Liability

Notwithstanding the Mechanical Vehicles Exclusion the Insurer will provide indemnity to the Insured against legal liability arising out of the use in the course of the Business by any Employee of any mechanically propelled vehicle not the property of nor provided by the Insured

The indemnity will not apply to legal liability

- [a] in respect of loss of or damage to such vehicle or to Property conveyed therein
- [b] arising while such vehicle is being driven by the Insured
- [c] in respect of which the Insured is entitled to indemnity under any other insurance
- [d] arising outside the United Kingdom

## **Data Protection Act 2018**

The Business shall include the provision of any reciprocal arrangement for the storage or processing of Data or for use of computer facilities provided that the indemnity will not apply to legal liability in respect of any loss or damage sustained by any party to such an arrangement

The Insurer will also provide an indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 2018 provided that the Insured is registered in accordance with the terms of the Act or has applied for such registration which has not been refused or withdrawn and has taken all reasonable care to comply with the requirements of the Data Protection Act 2018

This clause shall not apply in respect of

- [a] the payments of fines or penalties
- [b] the costs of replacing reinstating rectifying erasing blocking or destroying any personal Data
- [c] liability arising from or caused by a deliberate or intentional act by or omission of any person eligible for indemnity by this clause if the result thereof could reasonably have been expected by the Insured or any other person having regard to the nature and circumstances of such act or omission
- [d] claims which arise out of circumstances notified to previous insurers or known to the Insured at inception of this insurance
- [e] legal liability where indemnity is provided by any other insurance

## **Overseas Personal Liability**

The Insurer will provide indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability incurred in a personal capacity while temporarily outside the United Kingdom in connection with the Business

The indemnity will not apply

- [a] to legal liability arising out of the ownership or occupation of land or buildings
- [b] where indemnity is provided by any other insurance

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## Policy Exclusions

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### Exclusions Applicable to Property Damage Insurance only

This Policy does not cover

#### Electronic Risks

Damage to

[a] Data which shall include but shall not be limited to

- [1] Damage to or corruption of Data whether in whole or in part
- [2] unauthorised appropriation of use of access to or modification of Data
- [3] unauthorised transmission of Data to any third parties
- [4] Damage arising out of any misinterpretation use or misuse of Data
- [5] Damage arising out of any operator error in respect of Data

[b] any items insured arising directly or indirectly from

- [1] the transmission or impact of any Virus
- [2] unauthorised access to a System
- [3] interruption of or interference with electronic means of communication used in the conduct of the Insured's Business including but not limited to any diminution in the performance of any website or electronic means of communication
- [4] Failure of a System
- [5] anything described in [a] above

but in respect of [b] [1] [b] [2] [b] [3] and [b] [4] this shall not exclude subsequent Damage or loss resulting from subsequent Damage which itself results from a cause not otherwise excluded provided that such Damage does not arise by reason of any malicious act or omission

#### Radioactive Contamination

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

- [1] ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- [2] the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

#### Sonic Bangs

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

## **Terrorism**

Damage or loss resulting from Damage occasioned by or happening through or in consequence directly or indirectly of

a. Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss

and

b. in Northern Ireland civil commotion

This policy also excludes Damage or loss resulting from Damage directly or indirectly caused by resulting from or in connection with any action in controlling preventing suppressing or in any way relating to an act of Terrorism

In any action suit or other proceedings where the Insurer alleges that by reason of this exclusion any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Insured

## **War and Allied Risks**

Damage occasioned by

[1] riot or civil commotion except to the extent that it is specifically insured

[2] war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

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## Exclusions Applicable to Legal Liabilities Insurance only

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### Section 1 – Employers' Liability only

The indemnity will not apply to legal liability

#### Radioactive Contamination

of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- [a] ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- [b] the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof where such legal liability is
  - [1] that of any principal
  - [2] accepted under agreement and would not have attached in the absence of such agreement

#### Road Traffic Legislation

in respect of Injury for which the Insured is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Union

### Section 2 – Property Owners' Public Liability only

The indemnity will not apply to legal liability

#### Asbestos (Fear of)

for mental injury or fear of suffering bodily injury death disease or illness arising out of actual or suspected exposure to Asbestos Asbestos Dust or Asbestos Containing Materials

#### Asbestos Disposal (Management)

for the costs of management (including those of any persons under any statutory duty to manage) removal repair alteration recall replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos Asbestos Dust or Asbestos Containing Materials

#### Disposed Premises

for the costs of remedying any defect or alleged defect

the presence of Asbestos Asbestos Dust or Asbestos Containing Materials in premises disposed of by the Insured

#### Employers Liability

for bodily injury or mental injury to or death disease or illness of any Person Employed arising out of and in the course of employment by the Insured in the Business

## Mechanical Vehicles

arising from or out of the ownership possession or use by or on behalf of the Insured or any Person Entitled to Indemnity of any

- [a] mechanically propelled vehicle other than legal liability arising out of
  - [1] the use of plant as a tool of trade on site
  - [2] the use of plant at the Premises
  - [3] the loading or unloading of any vehicleexcept where indemnity is provided by any motor insurance contract or where insurance or security is required by law
- [b] aircraft or other aerial device
- [c] aerospace device
- [d] hovercraft
- [e] water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters)

## Pollution or Contamination

caused by or arising out of pollution or contamination of buildings or other structures or of water or land or of the atmosphere unless the pollution or contamination is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during any Period of Insurance

Provided that all pollution or contamination which arises out of one incident shall be considered by the Insurer for the purposes of this Policy to have occurred at the time such incident takes place

## Product Defects and Recall

- [a] in respect of loss of or damage to any
  - [1] product supplied by the Insured
  - [2] contract work executed by the Insuredcaused by any defect therein or the unsuitability thereof for its intended purpose
- [b] for the costs of recall removal repair alteration replacement or reinstatement of any
  - [1] product supplied by the Insured
  - [2] contract work executed by the Insurednecessitated by any defect therein or the unsuitability thereof for its intended purpose

## Property in the Insured's Custody or Control

for or arising from loss of or damage to any Property which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Insured other than

- [a] Employees' directors' partners' or visitors' personal effects including vehicles and their contents
- [b] premises and their contents not owned by or leased or rented to the Insured at which the Insured is undertaking work in connection with the Business
- [c] premises and their fixtures and fittings leased or rented to the Insured unless such legal liability arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings



## Section 4 – Legionellosis Liability only

The indemnity will not apply to legal liability

### Products Liability

arising out of or in connection with any

- [a] product supplied
- [b] contract work executed by the Insured

### Retroactive Liability

In respect of any Legionellosis which commenced prior to the Retroactive Date stated on the Schedule

## Sections 2 and 4 – Property Owners’ Public Liability and Legionellosis Liability only

The indemnity will not apply to legal liability

### Contractual Liability

where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement unless the terms of such agreement have been accepted by the Insurer in writing

### Fines or Penalties

for

- [a] fines or penalties
- [b] compensation ordered or awarded by a Court of Criminal Jurisdiction
- [c] aggravated exemplary or punitive damages awarded by any court outside the United Kingdom

### Professional Risks

arising from or in connection with

- [a] advice
  - [b] design
  - [c] specification
- } provided for a fee

### Radioactive Contamination

of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- [a] ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- [b] the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

### War and Allied Risks

arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion insurrection or military or usurped power

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# Terrorism Insurance Buy-Back Extension for Property Insured in England Scotland and Wales Only

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**(this Extension to the Policy is applicable to the Property Damage Insurance and is only operative if specified as operative in the Schedule and any Folio Schedule or Certificate attaching to this Policy)**

Notwithstanding any provisions to the contrary within this Policy the insurance provided by the Property Damage Insurance of this Policy is extended from the Effective Date shown in the Schedule to include Damage to the Property Insured described in the Schedule and consequential loss resulting therefrom insofar and to the extent that it is insured in the Territories stated below caused by or resulting from an Act of Terrorism

provided always that Terrorism Insurance is

not subject to any of the exclusions specified in this Policy pertaining to excluded occurrences of Damage other than those applying specifically in respect of Terrorism Insurance as stated below

and

subject to all the terms and conditions of the Policy except as expressly varied below

provided also that the Insurer's liability in respect of all losses arising out of any one occurrence and in the aggregate in any one period of insurance shall not exceed the limit(s) shown in respect of the Territories stated below after the application of all the provisions of the insurance including any Insured's Contribution

<b>Territory</b>	<b>Limit of Liability</b>
Great Britain	As otherwise specified in this Policy
The Channel Islands	Not Insured
The Isle of Man	Not Insured
Elsewhere in the world	Not insured

## **Exclusions**

Terrorism Insurance does not cover

1. War and Allied Risks  
war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
2. Electronic Risks  
any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the Insured or not where such Damage is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack
3. Nuclear Risks and Chemical Biological and Radiological Contamination  
any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
  - the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

- ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
- chemical and / or biological and/or radiological irritants contaminants or pollutants

caused or occasioned by any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political religious ideological or similar purposes whose intention or intentions include but is not limited to influencing any government and/or putting the public or any section of the public in fear

Exclusion 3 shall not apply to property situated in Great Britain other than in respect of Residential Property

## Definitions

Damage means

accidental loss destruction or damage

Act of Terrorism means

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

Great Britain means

England and Wales and Scotland but not the territorial seas adjacent thereto (as defined by the Territorial Sea Act 1987) nor the Channel Islands nor the Isle of Man

Virus or Similar Mechanism means

any program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

The definition of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs

Hacking means

unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether the property of the insured or not

## Denial of Service Attack means

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

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

Residential Property means

houses and blocks of flats and other dwellings (including household contents and personal effects of every description) insured in the name of a Private Individual

Private Individual means

any person other than

- a Trustee or body of Trustees where insurance is arranged under the terms of a trust
- a person who owns Residential Property for the purpose of their business as a sole trader

The definition of Private Individual shall include two or more persons where insurance is arranged in their several names and/or the title of the Insured includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the Property Insured

## **Special Conditions**

In any action suit or other proceedings where the Insurer alleges that any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Insured

Any provision in this Policy which provides for any sum insured or limit of liability to be automatically reinstated following a loss shall not apply to losses covered by this Terrorism Insurance

Any terms in this Policy which provide for adjustments of premium based upon declarations on expiry or during the period of insurance do not apply to Terrorism Insurance.

If this Policy is subject to any Long Term Agreement / Undertaking it does not apply to Terrorism Insurance

# Customer Service

At Insurance Corporation we have a real commitment to customer care. We have built a reputation as an Insurer that puts our customers first. You can help us to maintain this position by letting us know if you consider that our service has been unsatisfactory. We aim to give our customers a high standard of service at all times.

## Complaints Procedure

### Step 1

If you are unhappy with our service for any reason, you should write initially to the Service Manager of Insurance Corporation at the address shown on your Policy Schedule who will ensure that the matter receives attention.

### Step 2

If matters are not resolved to your satisfaction, you are invited to write to:

Post: The Managing Director,  
Insurance Corporation of the Channel Islands Ltd,  
P O Box 160, Dixcart House,  
Sir William Place,  
Guernsey,  
GY1 4EY.  
Email: [complaints@insurancecorporation.com](mailto:complaints@insurancecorporation.com)

### Step 3

If you are not satisfied with our final response to your complaint, you may be eligible to refer your case to one of the Financial Ombudsmen shown below:

#### 1 Channel Islands

Post: Channel Islands Financial Ombudsman (CIFO),  
P O Box 114,  
Jersey JE4 9QG.  
Telephone Guernsey: 01481 722218  
Jersey: 01534 748610  
Email: [enquiries@ci-fo.org](mailto:enquiries@ci-fo.org)

#### 2 United Kingdom

or in respect of Compulsory UK insurance you may be eligible to refer your case to the UK Financial Ombudsman,

Post: Financial Ombudsman Service,  
Exchange Tower,  
Harbour Exchange Square,  
London E14 9SR.  
Telephone: 0800 0234567 (for landline users)  
0300 1239123 (for mobile users)  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

#### 3 Isle of Man

Or in respect of respect of the Isle of Man you may be eligible to refer your case to

Post: The Financial Services Ombudsman Scheme,  
Isle of Man Office of Fair Trading,  
The Slieau Whallian,  
Foxdale Road, St John's,  
Isle of Man, IM4 3AS, British Isles.  
Telephone: 44 (0)1624 686500  
Email: [ombudsman@iomoft.gov.im](mailto:ombudsman@iomoft.gov.im)

You have six months from the date of our final response to refer your complaints to the Financial Ombudsman Service. This does not affect your right to take legal action; however, the Financial Ombudsman Service will not adjudicate on any case where litigation has commenced.

# Privacy Notice

Your privacy is important to us and we are committed to keeping it protected. We have created this Customer Privacy Notice which will explain how we use the information we collect about you and how you can exercise your data protection rights. This Privacy Notice will help you understand the following:

## Who are we?

We are Insurance Corporation of the Channel Islands Limited, a member of the RSA Group of companies. We provide commercial and consumer insurance products and services.

## Why do we collect and use your personal information?

As an insurer, we need your personal information to understand the level of insurance cover you require. We'll use this information (e.g. your name, address, telephone number and email address) to communicate with you and if you have agreed. We need to use your information to create a quote for you, allowing you to buy insurance products from us. When buying a product from us, you'll also need to provide us with details about the items you wish to be covered by the insurance. We may need to check your information with external companies/organisations (e.g. the DVLA, the Motor Insurance Database, credit reference agencies and criminal conviction checks.) When buying certain products, sometimes we will ask for special categories of personal data (e.g. driving offences for motor insurance, medical records in case of injury). Once you become a customer, we'll need to take your payment details to set up your cover. This could be direct debit, credit or debit card information.

If you need to claim against your insurance policy, we will need to collect information about the incident and this may be shared with other selected companies to help process the claim. If other people are involved in the incident, we may also need to collect additional information about them which can include special categories of personal data (e.g. injury and health data). In submitting an application, we may be provided with equivalent or substantially similar information relating to other proposed beneficiaries under the policy. You agree that you will bring this Privacy Notice to the attention of each beneficiary at the earliest possible opportunity. Data protection laws require us to meet certain conditions before we are allowed to use your personal information in the manner described in this Privacy Notice. To use your personal information, we will rely on one or more of the following grounds:

**Performance of contract:** We need to use your personal information in order to provide you with the policy (which is a contract of insurance between you and us), and perform our obligations under it (such as making payments to you in respect of a claim made under the policy).

**Consent:** In certain circumstances, we may need your consent unless authorised by law in order to use personal information about you which is classed as "special categories of personal data".

**Necessity** to establish, exercise or defend legal claim: If you, or we, bring a legal claim (e.g. a court action) against the other, we may use your information in either establishing our position, or defending ourselves in relation to that legal claim.

**Compliance with a legal obligation:** Where laws or regulations may require us to use your personal information in certain ways.

**Legitimate Interests:** We will also process your personal information where this processing is in our "legitimate interests". When relying on this condition, we are required to carry out a balancing test of our interests in using your personal information (for example, carrying out analytical research), against the interests you have as a citizen and the rights you have under data protection laws. The outcome of this balancing test will determine whether we can use your personal information in the ways described in this Privacy Notice. We will always act reasonably and give full and proper consideration to your interests in carrying out this balancing test.

## Where else do we collect information about you?

We will receive details about you from other people or companies. For example:

Given to us by someone who applied for an insurance product on your behalf (e.g. an insurance broker) where you have given them the permission to do so; or

Lawfully collected from other sources (e.g. Motor Insurance Database, Claims and Underwriting Exchange or fraud prevention databases) to validate the information you have provided to us.

We request those third parties to comply with data protection laws and to be transparent about any such disclosures. If you would like some further information, please contact us.

## Will we share your personal information with anyone else?

We do not disclose your information outside of the RSA Group except:

Where we need to check the information provided to us before we can offer you an insurance product (e.g. reference agencies);

Where we are required or permitted to do so by law or relevant regulatory authority (e.g. financial crime screening, fraud detection/prevention);

Where we provide insurance services in partnership with other companies;

In the event that we are bought or we sell any business or assets, in which case we will disclose your personal information to the prospective buyer of such business or assets;

As required to enforce or apply this Privacy Notice, or the contract of insurance itself;

Within our group for administrative purposes;

As required in order to give effect to contractual arrangements we have in place with any insurance broker and/or intermediary through which you have arranged this policy;

With healthcare providers in the context of any relevant claim being made against your policy;

If we appoint a third party to process and settle claims under the policy on our behalf, in which case we will make your personal information available to them for the purposes of processing and settling such claims

With our third party service providers (including hosting/storage providers, research agencies, technology suppliers etc.);

With our reinsurers (and brokers of reinsurers) in connection with the normal operation of our business;

Sometimes your personal information may be sent to other parties outside of the European Economic Area (EEA) in connection with the purposes set out above. We will take all reasonable steps to ensure that your personal information is treated securely and in accordance with this Privacy Notice, and in doing so may rely on certain "transfer mechanisms" such as the EU-US Privacy Shield, and the standard contractual clauses approved by the European Commission. If you would like further information please contact us.

## Which decisions made about you will be automated?

Before we can offer you an insurance product or service, we may need to conduct the following activities, which involve automated (computer based) decision-making:

Pricing and Underwriting – this process calculates the insurance risks based on the information that you have supplied. This will be used to calculate the premium you will have to pay.

Credit Referencing – using the information given, calculations are performed to evaluate your credit rating. This rating will help us to evaluate your ability to pay for the quoted products and services.

The results of these automated decision-making processes may limit the products and services we can offer you. If you do not agree with the result, you have the right to request that we perform a manual reassessment using the same information that you originally provided.

## For how long will we keep your information?

Your personal information will be retained under one or more of the following criteria:

Where the personal information is used to provide you with the correct insurance cover, which will be kept as long as it is required to fulfil the conditions of the insurance contract.

Where the use of your personal information for a specific purpose is based on your consent, it will be kept for as long as we continue to have your consent.

Where, for a limited period of time, we are using some of your information to improve the products or services we provide.

For as long as your information is required to allow us to conduct fraud and/or criminal checks and investigations.

## Your information is incorrect what should you do?

If you hold a product or service with us and think that the information we hold about you is incorrect or incomplete, please contact us and we will be happy to update it for you.

## What are your rights over the information that is held by Insurance Corporation

We understand that your personal information is important to you, therefore you may request the following from us to:

1. Provide you with details about the personal information we hold about you, as well as a copy of the information itself in a commonly used format. [Request Ref: DSR 1]
2. Request your personal information be deleted where you believe it is no longer required. Please note however, we may not be able to comply with this request in full where, for example, you are still insured with us and the information is required to fulfil the conditions of the insurance contract. [Request Ref: DSR 2]
3. Request the electronic version of the personal information you have supplied to us, so it can be provided to another company. We would provide the information in a commonly used electronic format. [Request Ref: DSR 3]
4. Request to restrict the use of your information by us, under the following circumstances [Request Ref: DSR 4]:
  - a. If you believe that the information we hold about you is inaccurate, or;
  - b. If you believe that our processing activities are unlawful and you do not want your information to be deleted.
  - c. Where we no longer need to use your information for the purposes set out in this Privacy Notice, but it is required for the establishment, exercise or defence of a legal claim.
  - d. Where you have made an objection to us (in accordance with section 5 below), pending the outcome of any assessment we make regarding your objection.

5 Object to the processing of your data under the following circumstances [Request Ref: DSR 5]:

- a. Where we believe it is in the public interest to use your information in a particular way, but you disagree.
  - b. Where we have told you we are using your data for our legitimate business interests and you believe we shouldn't be (e.g. you were in the background of a promotional video but you did not agree to be in it.)
- In each case under section 5 above, we will stop using your information unless we can reasonably demonstrate legitimate grounds for continuing to use it in the manner you are objecting to.

If you would like to request any of the above, please contact us and submit a written request, including the request reference (e.g. DSR 1), as this will speed up your request. To ensure that we do not disclose your personal information to someone who is not entitled to it, when you are making the request we may ask you to provide us with:

- Your name;
- Address(es);
- Date of birth;
- Any policy IDs or reference numbers that you have along with a copy of your photo identification.

All requests are free of charge, although for requests for the provision of personal information we hold about you (DSR1) we reserve the right to charge a reasonable administrative fee where, we believe an excessive number of requests are being made. Wherever possible, we will respond within one month from receipt of the request, but if we don't, we will notify you of anticipated timelines ahead of the one month deadline.

Please note that simply submitting a request doesn't necessarily mean we will be able to fulfil it in full on every occasion – we are sometimes bound by law which can prevent us fulfilling some requests in their entirety, but when this is the case we will explain this to you in our response.



# Our Privacy Notice

If you have any queries regarding our Privacy Notice please contact us and we will be happy to discuss any query with you. Our Privacy Notice will be updated from time to time so please check it each time you submit personal information to us or renew your insurance policy.

## How you can contact us about this Privacy Notice?

If you have any questions or comments about this Privacy Notice please contact:  
The Data Protection Officer  
Insurance Corporation  
P.O. Box 160  
Dixcart House  
Sir William Place  
St. Peter Port  
Guernsey, GY1 4EY

## How you can lodge a complaint?

If you wish to raise a complaint on how we have handled your personal information, please send an email to [complaints@insurancecorporation.com](mailto:complaints@insurancecorporation.com) or write to us using the address provided. Our Data Protection Officer will investigate your complaint and will give you additional information about how it will be handled. We aim to respond in a reasonable time, normally 30 days.

If you are not satisfied with our response or believe we are not processing your personal information in compliance with Guernsey Data Protection laws, you may lodge a complaint to the office of the Data Protection Commissioner, whose contact details are:  
Data Protection Office  
Guernsey Information Centre  
North Esplanade  
St Peter Port  
Guernsey  
GY1 2LQ

## Compulsory Insurance (Employers' Liability) in Great Britain and Northern Ireland

The following only applies in respect of any insurance under this policy, required to meet legislation enacted in Great Britain and Northern Ireland.

### Employers Liability Tracing Office

Certain information relating to your insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office (the 'ELTO') and added to an electronic database (the 'Database').

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure By Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers.

### Financial Services Compensation Scheme- UK only

Royal and Sun Alliance Insurance PLC is a member of the Financial Services Compensation Scheme (FSCS). This provides compensation in case any member goes out of business or into liquidation and is unable to meet any valid claims against its policies. You may be entitled to compensation if we cannot meet our obligations, depending of the circumstances of the claim. Further information about the compensation scheme can be obtained from the FSCS.

