



COMMERCIAL PROPERTY OWNERS INSURANCE POLICY

PLEASE READ THIS DOCUMENT CAREFULLY AND KEEP IT IN A SAFE PLACE

Do not wait until you have a claim before you read and understand this **Policy** – please read it now and keep it in a safe place.

In particular make sure that:-

- All the details shown in the Schedule are correct (let your Insurance Broker know immediately if any changes are necessary).
- You have read the conditions relating to those Sections covered including the General Conditions and Exclusions.
- You understand the notes on how to make a claim as stated in General Conditions & your duties in respect of Ministry of Justice Portal Claims as outlined in the schedule
- You understand the notes and how to make a complaint as stated in the Complaints Section of the schedule

If you have any queries about the **Policy** do not understand any part of it or feel that it does not meet your requirements please consult your Insurance Broker.

Important

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

You should immediately notify the Insurer via your insurance broker or other intermediary of any changes which may affect the insurance provided by this policy.

Alterations to the cover required after issue of the Policy will be confirmed by separate schedules and/or endorsements which You should file with the Policy. You should refer to these schedules and/or endorsements and the Policy to ascertain precise details of cover currently in force.

In the event of a claim or any circumstances that is likely to result in a claim you must immediately notify the nominated claims handlers as specified in your schedule.

We also remind you of your obligations under the Health and Safety at Work Act 1974 to protect the health, safety and welfare of your Employees which includes:-

- Workplace risk and assessments
- Full and effective training
- Provision of appropriate personal protective equipment (PPE)
- Communication of health and safety procedures

It is understood by you that any information provided to the **Insurers** regarding the **Insured** will be processed by the **Insurers** in compliance with the provisions of the Data Protection Act 1998.

We will use your information to manage your insurance **Policy** including underwriting and claims handling. This may include disclosing it to other **Insurers** third party suppliers loss adjusters and reinsurers (the Group) or Governmental bodies. Your information includes data about your transactions. We may use and share your information with other members of the Group or Governmental bodies to help us and them:-

- Assess financial and insurance risks
- Recover debt
- Prevent and detect crime
- Develop services and systems

We do not disclose your information to anyone outside the Group except:-

- When we have your permission or
- Where we are required or permitted to do so by Law or
- To other companies who provide a service to us or you or
- Where we may transfer rights and obligations under this agreement.

Sensitive Information

Some of the personal information we ask you may be sensitive personal data defined by the Data Protection Act 1998 (such as information about criminal convictions and civil proceedings). We will not use sensitive personal data about you or others except for the specific purpose for which you provide it and provide the services described in you **Policy** Documents.

Credit Reference Agencies

Your information may be linked to and your application assessed using reference agency records to anyone with whom you have a joint account or similar financial association.

Fraud Prevention Agencies

If false or inaccurate information is provided and fraud is identified or suspected details may be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. We and other organisations may also access and use this information to prevent fraud and money laundering when for example:-

- Checking applications for and managing credit and other facilities and recovering debt
- Checking insurance proposals and claims
- Checking details of job applicants and Employees

We and other organisation that may access and use information recorded by fraud prevention agencies may do so from other counties.

The **INSURED** carrying on the **BUSINESS** described herein and having paid or agreed to pay the premium as consideration for such insurance during the period stated in the Schedule or any subsequent period stated in the Schedule for which the **INSURERS** shall have accepted the premium required for this **Policy**.

The **INSURERS** and the **INSURED** agree that:

this **Policy** the Schedule (including any Schedule issued in substitution) and any Endorsement shall be considered one document and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears

the liability of the **INSURERS** shall in no case exceed the limits or sum insured or Amount of Benefit set out in the Schedule or contained in each Section or part thereof

the **INSURERS** will provide the insurance described in this **Policy** subject to the terms and conditions specified herein.

Law applicable to the contract

The contract will be subject to English Law. Where a **Policy** Holder is resident in the Channel Islands or the Isle of Man then it may be agreed that the relevant law to be applicable relates to the **INSURED's** address as shown in the Schedule. If there is any dispute as to which law applies it will be English Law. The parties agree to submit to the exclusive jurisdiction of the English courts.

Several Liability

The subscribing **INSURERS** obligations under Policies to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing **INSURERS** are not responsible for the subscription of any co-subscribing **INSURER** who for any reason does not satisfy all or part of its obligations. The proportion of liability under this contract underwritten by a company (or in this case of a Lloyd's syndicate the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate each member of the syndicate (rather than the syndicate itself) as a company. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member proportion. A member is not jointly liable for any other members proportion. Nor is any member other responsible for any liability of any other **INSURER** that may underwrite this contract.

Although reference is made at various points in this clause to "this contract" in the singular where the circumstances so require this should be read as a reference to contracts in the plural.

This is to certify that in accordance with the authorisation granted under the contract to the undersigned by certain **Insurers** as specified in the schedule and in consideration of the payment of the premium specified herein, the said **Insurers** are hereby bound, severally and not jointly, their Executors and Administrators, to insure in accordance with the terms and conditions contained herein or endorsed hereon.

Signed for and on behalf of the **Insurers** named in the schedule



Gresham Underwriting Limited

Wherever the following words and phrases appear in the **Policy** they will always have these meanings

Insurer/Our/Us/We

The **Insurers** as shown in the **Policy** schedule

Business

The ownership by the **Insured** of the Property Insured including

- a) maintenance occupation or use of the Property Insured by the **Insured**
- b) the provision and management of canteen sports social or welfare organisations for the benefit of Employees and fire security first aid medical and ambulance services
- c) private work undertaken with the prior consent of the **Insured** by **Employees** for any director or senior official of the **Insured**

Damage

The word **DAMAGE** in capital letters shall mean accidental loss or destruction of or damage to the Property Insured in respect of Section 1 and accidental loss or destruction of or damage to the property used by the **Insured** at the Premises for the purposes of the **Business** in respect of Section 2

Defined Peril

The words **Defined Peril** shall mean fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons theft earthquake storm flood escape of water from any tank apparatus or pipe or impact by any road vehicle or animal

Empty

The word Empty shall mean wholly unoccupied mainly unoccupied or not in use

Employee

- a) Any person under a contract of service or apprenticeship with the **Insured**
- b) Any person who is hired to or borrowed by the **Insured**
- c) Any person engaged in connection with a work experience or training scheme
- d) Any labour master or person supplied by him
- e) Any person engaged by labour-only sub-contractors
- f) Any self-employed person working on a labour-only basis under the control or supervision of the **Insured**

Injury

Bodily injury death disease illness or nervous shock

Insured/You/Your

The Person(s) or company named in the Schedule

Offshore

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or any offshore platform

Policy

The **Policy** and Schedule and any endorsements attached or issued

Proposal

The signed Proposal or Statement of Fact and declaration and any additional information supplied to the **Insurer** by or on behalf of the **Insured**

Standard Construction

Brick stone or concrete built and roofed with slates tiles metal concrete or sheets or slabs composed entirely of incombustible mineral ingredients and plastic roof lights

Non-standard Construction

Constructed of materials other than those detailed in the definition Standard Construction

Territorial Limits

- a) Great Britain Northern Ireland the Channel Islands or the Isle of Man other than Offshore
- b) Elsewhere in the world other than Offshore in connection with temporary visits undertaken in the course of the **Business** by any person normally resident in the territories described in a) above

The Cover

The **Insurer** will (subject to the terms definitions exclusions and conditions of the **Policy**) if any of the **Property Insured** be accidentally lost destroyed or damaged pay to the **Insured** the value of the property at the time of its loss or destruction or the amount of the damage or at the **Insurers** option reinstate or replace such property or any part of it

Property Insured

- a) The buildings shown in the Schedule including outbuildings annexes gangways conveniences foundations or footings (unless otherwise excluded) yards car parks roads pavements landscaping planters ornamental features and statues walls gates and fences together with landlord’s fixtures and fittings therein and thereon tenants improvements underground pipes drains piping ducting cables wires and associated control gear and accessories on the premises and extending to the public mains but only to the extent of the **Insured’s** responsibility
- b) Fitted carpets and other furnishings belonging to the **Insured** but excluding fitted carpets and other furnishings within properties or portions thereof which are let for domestic purposes Fixed glass in windows doors fanlights skylights partitions and fixed sanitary ware

Amount Excluded

This Section does not cover the amounts stated in the following paragraph in respect of each and every loss as ascertained after the application of all other terms and conditions of the **Policy** including any Condition of Average

	COMPENSATION	AMOUNT EXCLUDED
1	DAMAGE by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances or earthquake	NIL
2	All other insured DAMAGE	£300

Limit of Liability

The maximum amount payable during any Period of Insurance under this Section including any payment made under the Extensions is the Sum Insured shown in the Schedule for the Buildings Section adjusted in accordance with the Inflation Protection Clause if applicable

Clauses

Change in Tenancy

The **Insured** must advise the **Insurer** of all changes in tenancy or occupation within the Property Insured in accordance with Condition 1 of this **Policy**

Construction of Buildings

Except as otherwise stated the buildings described in the Schedule are of **Standard Construction**

Contractors Interest

Where the **Insured** is required to effect insurance on the **Property Insured** in the joint names of themselves and the contractor under the terms of a contract condition then the interest of the contractor in the **Property Insured** as joint insured is noted provided the **Insured** shall advise the **Insurer** of details of any single contract valued in excess of £150,000 or 10% of the Sum Insured on the **Property Insured** whichever is the less and pay any additional premium the **Insurer** may require

Day One Average

A Subject to the following Special Conditions the basis upon which the amount payable in respect of the **Property Insured** under sums insured marked "DA" in the Schedule is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose 'reinstatement' means

- a) the rebuilding or replacement of property lost or destroyed which provided the liability of the **Insurer** is not increased may be carried out
 - i) in any manner suitable to the requirements of the **Insured**
 - ii) upon another site
- b) the repair or restoration of property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

B The **Insured** having stated in writing the Declared Value shown in brackets below the Sum Insured for each of the said items the premium has been calculated accordingly

'Declared Value' means the **Insureds** assessment of the cost of reinstatement of the **Property Insured** arrived at in accordance with paragraph A(a) at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with insofar as the insurance by the item provides due allowance for

- a) the additional cost of reinstatement to comply with public authority requirements
- b) professional fees
- c) debris removal costs
- d) fitted carpets and other furnishings

Special Conditions

- 1 At the inception of each Period of Insurance the **Insured** shall notify the **Insurer** of the Declared Value of the Property Insured by each of the said item(s) In the absence of such declaration the last amount declared by the **Insured** shall be taken as the Declared Value for the ensuing Period of Insurance
- 2 If at the time of **DAMAGE** the Declared Value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph B above) at the inception of the Period of Insurance then the **Insurers** liability for any **DAMAGE** shall not exceed that proportion thereof which the Declared Value bears to such cost of reinstatement
- 3 The liability of the **Insurer** for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- 4 No payment beyond the amount which would have been payable in the absence of this clause shall be made
 - a) unless reinstatement commences and proceeds without unreasonable delay
 - b) until the cost of reinstatement shall have been actually incurred
 - c) if the Property Insured at the time of its loss destruction or damage shall be insured by any other insurance effected by or on behalf of the **Insured** which is not upon the same basis of reinstatement
- 5 All the terms and conditions of this **Policy** shall apply in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby

- 6 Where by reason of
- a) any of the above Special Conditions no payment is to be made beyond the amount which would have been payable under this Section if this clause had not been incorporated therein
- or
- b) the **Insured** elect not to rebuild the **Property Insured** in a condition equal to but not better or more extensive than its condition when new then the provisions of this clause are cancelled and the rights and liabilities of the Insurer and the Insured in respect of the **DAMAGE** shall be subject to the terms and conditions of the Policy including the following Condition of Average –
The insurance by each item of this Section is declared to be subject to Average i.e. if the property covered shall at the breaking out of any **DAMAGE** insured hereby be collectively of greater value than 115% of the Declared Value stated in the Schedule then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly

Empty Buildings Warranty

It is warranted that whenever the **Property Insured** is **Empty**

- a) the **Insured** shall notify the **Insurer** immediately they become aware
 - i) that the building(s) are **Empty**
 - ii) of any loss destruction or damage to the **Empty** building(s) whether such loss destruction or damage is insured or not with all loss destruction or damage rectified immediately
- b) notify the police immediately when the building becomes **Empty**
- c) the buildings are inspected internally at least once during each week by or on behalf of the **Insured**
- d) all trade refuse and waste materials are removed from the interior of the premises and no accumulation of refuse and waste be allowed in the adjoining yards or spaces owned by the **Insured**
- e) the **Insured** shall secure the building and put all protective and locking devices and any alarm protection into effective operation with letterboxes sealed to prevent the accumulation of mail. Any entry doors must be secured with a minimum of BS3621 mortise deadlock and plate
- f) the gas water and electricity supplies are turned off at the mains (except electricity needed to maintain any fire or intruder alarm system in operation) and any sprinkler system be drained and during the months of October to March (inclusive) the water system be drained
- g) the **Insured** shall implement any additional protections the **Insurer** may require within the time scale specified by the **Insurer**
- h) The Insurer must be notified in writing immediately any Empty building or Empty portion of a building insured hereby becomes occupied or any occupied building becomes Empty and a suitable extra premium be paid if required

Failure to comply with the above may result in indemnity being refused.

Fire Extinguishing Appliances

Where the **Insurer** has agreed to allow a discount for the fire extinguishing equipment the **Insured** warrant that

- i) the said appliances will be maintained in efficient working order during the currency of this insurance
- 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

Mortgagees and Other Interests

The interest of the Leaseholder(s) Mortgagee(s) and Tenant(s) in the individual portions of the Property Insured to which their interest applies is noted such interest to be advised to the **Insurer** in the event of a claim In addition the interest of the **Insured** or Mortgagee(s) in this insurance shall not be prejudiced by any act or neglect of the occupier(s) or Mortgagor(s) of any building hereby insured whereby the risk of **DAMAGE** is increased without the authority or knowledge of the **Insured** or Mortgagee(s) provided that the **Insured** or Mortgagees shall immediately on becoming aware thereof give notice in writing to the **Insurer** and on demand pay such reasonable additional premium as the **Insurer** may require

Payments on Account

In the event of **DAMAGE** the **Insurer** will make monthly payments on account to the **Insured** if required

Reinstatement of Sum Insured

In the event of loss the Sum Insured by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the **Insurer** or by the **Insured** and the **Insured** undertake to pay such necessary premiums as may be required for such reinstatement from that date

Repairs and Alterations

Joiners and other tradesmen may be employed to effect repairs or minor structural alterations in all or any of the buildings insured without prejudice to the insurance hereby

Sale of Property Insured

If at the time of **DAMAGE** to any building insured under this Section the **Insured** shall have contracted to sell the interest of the **Insured** in such building and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase if and so far as the property is not otherwise insured by or on behalf of the purchaser against such **DAMAGE** shall be entitled to the benefits of this Section of the **Policy** so far as it relates to such **DAMAGE** without prejudice to the rights and liabilities of the **Insured** or the **Insurer** under this Section up to the date of completion

Subrogation Waiver

In the event of a claim arising under this Section the **Insurer** agrees to waive any rights remedies or relief to which they might have become entitled by subrogation against

- a) any Company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to the Insured as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of **DAMAGE**
- b) any Company which is a subsidiary of a Parent Company of which the **Insured** are themselves a Subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of **DAMAGE**
- c) any tenant provided that
 - i) the **DAMAGE** did not result from a criminal fraudulent or malicious act of the tenant
 - ii) the tenant contributes to the cost of insuring the Property Insured against the event which caused the **DAMAGE**

Extensions

The Insurance by this Section extends to include

Additional Metered Water Charges

Additional metered water charges 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 the occurrence of the **DAMAGE** subject to a limit of £25,000

Additional Sprinkler Costs

The costs incurred in upgrading an automatic sprinkler installation to current LPC rules solely as required by the **Insurer** as a result of **DAMAGE** to the Property Insured provided that at the time of the **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

Alternative Residential Accommodation

If as a result of **DAMAGE** the residential portions of the Property Insured are unfit to live in or access is denied the **Insurer** will pay insofar as they are not otherwise insured

- a) the costs of reasonable alternative accommodation and temporary storage of residents furniture
- b) the cost of reasonable accommodation in kennels or catteries for residents dogs and cats

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

Architects Surveyors Legal and Consulting Engineers Fees

An amount in respect of architects surveyors legal and consulting engineers fees necessarily incurred in the reinstatement or repair of the Property Insured consequent upon its **DAMAGE** but not for preparing any claim it being understood that the amount payable for such destruction or damage and fees shall not exceed in the aggregate the Sum Insured

Automatic Cover (Newly Acquired Properties)

Automatic cover for premises newly acquired by the **Insured** 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 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) The **Insurer's** maximum liability any one claim for Buildings and Rent shall not exceed £2,000,000 in respect of any Premises
- d) in respect of any Premises purchased for renovation refurbishment or redevelopment the Day One Average Clause shall not apply
- e) the insurance under this extension shall be subject to all the terms provisions clauses conditions and exclusions of the **Policy**
- f) if cover is provided under this Extension then cover is not provided under the Capital Additions Extension at the same time in respect of the same property

Capital Additions

Subject to its terms and conditions

- a) any newly acquired and/or newly erected buildings or buildings in course of erection (excluding any property for which a building contractor is responsible) insofar as the same are not otherwise insured
- and
- b) alterations additions and improvements to buildings but not in respect of any appreciation in value anywhere in the United Kingdom provided that
 - i) at any one situation this cover shall not exceed 20% of the Sum Insured by this Section but in no case exceeding £2,000,000
 - ii) the **Insured** undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of The **Insurers** liability
 - iii) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under (ii) above
 - iv) if cover is provided under this Extension then cover is not provided under the Automatic Cover (Newly Acquired Properties) Extension at the same time in respect of the same property

Contract Works

Contract Works to the extent to which the **Insured** has contracted to arrange cover subject to a limit of £25,000 any one claim at any Premises excluding the first £250 of each and every loss This insurance shall only apply in so far as the Contract Works are not otherwise insured

Damage to Landscaped Gardens

The cost of restoring any damage to landscaped gardens including trees by the Emergency Services in attending the premises as a result of **DAMAGE** insured by this Section

Damage to Cables and Underground Pipes

The cost of repairing accidental damage for which the **Insured** is responsible to cables and underground pipes and drains (and their inspection covers) on the Property Insured or connecting them to the public mains subject to the terms and conditions of the **Policy**

European Community and Public Authorities

Such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of

- a) European Community Legislation or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority (hereafter referred to as 'the Stipulations') in respect of
 - the lost destroyed or damaged property thereby insured
 - undamaged portions thereof

Excluding

- c) the cost incurred in complying with the Stipulations
 - i) in respect of **DAMAGE** occurring prior to the granting of this extension
 - ii) in respect of **DAMAGE** not insured by this Section
 - iii) under which notice has been served upon the **Insured** prior to the happening of the **DAMAGE**
 - iv) for which there is an existing requirement which has to be implemented within a given period
 - v) in respect of property entirely undamaged by any peril hereby insured against
- d) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- e) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations

Special Conditions

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the **DAMAGE** or within such further time as the **Insurer** may allow (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of The **Insurer** under this extension not being thereby increased
- 2 If the liability of The **Insurer** under (any item of) this Section apart from this extension shall be reduced by the application of any of the terms and conditions of the **Policy** then the liability of the **Insurer** under this extension (in respect of any such item) shall be reduced in like proportion
- 3 The total amount recoverable under any item of this Section shall not exceed its Sum Insured
- 4 All the terms and conditions of the **policy** except insofar as they are varied hereby shall apply as if they had been incorporated herein

Extinguishment and Alarm Resetting Expenses

The reasonable costs incurred by the **Insured** in refilling fire extinguishing appliances replacing used sprinkler heads and resetting fire or intruder alarms as a result of **DAMAGE** to the Property Insured

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 Breakage

- a) temporary boarding up following breakage
- b) the cost of removal or replacement of fixtures and fittings in course of the replacement of the glass
- c) lettering or other ornamental work and alarm foil on glass

Personal Possessions

Directors partners customers visitors and Employees personal effects of every description (other than motor vehicles) insofar as they are not otherwise insured for an amount not exceeding £500 in respect of any one person

Removal of Debris

Costs and expenses necessarily incurred by the **Insured** with the consent of the **Insurer** in

- a) removing debris
 - b) dismantling and/or demolishing
 - c) shoring up or propping of the portions of the Property Insured
 - d) clearing drains sewers and gutters at the Property Insured
- as a result of **DAMAGE** hereby insured against

The **Insurer** will not pay for any costs or expenses

- 1 incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- 2 arising from pollution or contamination of property not insured by this Section

The liability of the **Insurer** under this Extension and this Section in respect of any item shall in no case exceed the Sum Insured thereby

Removal of Debris – Tenants Contents

The irrecoverable costs and expenses (insofar as they are not otherwise insured) necessarily incurred by the **Insured** with the consent of The **Insurer** in removing from the Property Insured the debris of contents (not being the property of the **Insured**) as a result of **DAMAGE** hereby insured against

The **Insurer** will not pay for any costs or expenses

- 1 incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- 2 arising from pollution or contamination of property not insured by this Section

The liability of the **Insurer** under this Extension and this Section in respect of any item shall in no case exceed the Sum Insured thereby

Temporary Removal

Temporary removal of

- a) property insured by this Section for cleaning renovation or repair
 - b) deeds documents and plans to any building within the United Kingdom
- Provided the liability of the **Insurer** under each of (a) and (b) shall not exceed £25,000

Theft of Keys

The reasonable costs necessarily incurred in replacing external door locks at the Property Insured following the loss of keys by

- a) theft from the Property Insured or Registered Office or from the home of
- b) theft following hold-up whilst such keys are in the personal custody of

the **Insured** or any principal director partner or Employee authorised to hold such keys or reasonable evidence that the keys have been duplicated by an unauthorised person

Provided that the maximum amount payable under this Extension in any one Period of Insurance shall not exceed £1,000 in respect of any one premises

Trace and Access

The reasonable costs necessarily incurred by the **Insured** in locating the source and subsequent making good of **DAMAGE** resulting from

- i) the escape of water from any tank apparatus or pipe
- ii) accidental damage to cables underground pipes and drains serving the Property Insured

Unauthorised Use of Utilities

The cost of metered 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 Property Insured without the **Insureds** authority Provided that the **Insured** shall take all practical steps to terminate such unauthorised use as soon as it is discovered

Value Added Tax

Value Added Tax (VAT) paid by the **Insured** which is not subsequently recoverable Provided that

- 1
 - a) the **Insureds** liability for such tax arises solely as a result of the reinstatement or repair of the building following **DAMAGE**
 - b) The **Insurer** have paid or have agreed to pay for such **DAMAGE**
 - c) if any payment made by the **Insurer** in respect of the reinstatement or repair of such **DAMAGE** shall be less than the actual cost of the reinstatement or repair of the **DAMAGE** any payment under this clause resulting from that **DAMAGE** shall be reduced in like proportion
- 2 the **Insureds** liability for such tax does not arise from the replacement building having a greater floor area than or being better or more extensive than the destroyed or damaged building
- 3 where an option to reinstate on another site is exercised the **Insurers** liability under this Extension shall not exceed the amount of tax that would have been payable had the building been rebuilt on its original site

- 4 The **Insurers** liability under this Extension shall not include amounts payable by the **Insured** as penalties or interest for non payment or late payment of tax
- 5 the **Insured** has taken all reasonable precautions to insure adequately for VAT liability at inception of the **Policy** and at each subsequent renewal date

Note: Provisions to the contrary elsewhere in this **Policy** are overridden as follows in respect of those items to which this Extension applies

- i) for the purpose of any condition of Average reinstatement costs will be exclusive of VAT
- ii) the liability of the **Insurer** may exceed the Sum Insured by an item or in the whole the total Sum Insured where such excess is solely in respect of VAT

The Cover

In the event of the Property Insured under Section 1 (hereinafter called the Premises) being accidentally lost destroyed or damaged and the **Business** carried on by the **Insured** at the Premises stated in the Schedule be in consequence thereof interrupted or interfered with the **Insurer** will (subject to the terms definitions exclusions and conditions of the **Policy**) pay the **Insured** the amount of loss arising as a result in accordance with the following provisions

Indemnity

The insurance is limited to loss due to (a) loss of Rent Receivable and (b) increase in cost of working and the amount payable as indemnity thereunder shall be

- a) the amount by which the Rent Receivable during the Indemnity Period shall in consequence of the **DAMAGE** fall short of the Standard Rent Receivable
- b) the additional expenditure necessarily and reasonably incurred including the cost of re-letting the Premises (including legal fees) for the sole purpose of avoiding or diminishing the loss of Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the **DAMAGE** but not exceeding the amount of the reduction in Rent Receivable thereby avoided

plus 5% sum insured on Rent Receivable for the Premises (but not more than £25,000)

less any sum saved during the Indemnity Period in respect of such charges or expenses of the **Business** as may cease or be reduced in the consequence of the **DAMAGE**

provided that

- i) payment shall have been made or liability admitted under Section 1 of this **Policy**
- ii) if the Sum Insured by this Section be less than 300% of the Annual Rent Receivable the amount payable shall be proportionately reduced

Definitions

Indemnity Period

The period beginning with the occurrence of the **DAMAGE** and ending not later than the number of months thereafter stated in the Schedule during which the results of the **Business** shall be affected in consequence of the **DAMAGE**

Rent Receivable

The money paid or payable to the **Insured** for tenancies and other charges and for services rendered in the course of the **Business** at the Premises

Annual Rent Receivable

The Rent Receivable during the twelve months immediately before the date of the **DAMAGE**

Standard Rent Receivable

The Rent Receivable during the period in the twelve months immediately before the date of the **DAMAGE** which corresponds with the Indemnity Period

Under the Definitions Annual Rent Receivable and Standard Rent Receivable adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or special circumstances affecting the **Business** either before or after the **DAMAGE** or which would have affected the **Business** had the **DAMAGE** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **DAMAGE** would have been obtained during the relative period after the **DAMAGE**

Limit of Liability

The maximum payable during any Period of Insurance under this Section is the Sum Insured shown in the Schedule adjusted in accordance with the Inflation Protection Clause if applicable plus any payment made under the Rent Review Extension

Clauses

Advance Rent Receivable

Where Rent Receivable is insured in respect of new property developments the **Insured** must show that but for the **DAMAGE** Rent Receivable would have been earned and will be required to support a claim for Loss of Rent Receivable by submitting reasonable evidence of the amount of such Rent Receivable and the date from which they would have been earned The Insurer will have regard

- a) to actual negotiations with prospective tenants both before and after the **DAMAGE**
- b) for demand for similar accommodation in the locality
- c) the general level of rents applying

If required the advice of a professional valuer acceptable to both the **Insured** and the **Insurer** will be sought and such fees will be included in the indemnity under this Clause

Alternative Trading

If during the Indemnity Period accommodation shall be provided or services rendered elsewhere than at the Premises for the benefit of the **Business** either by the **Insured** or others on their behalf the money paid or payable in respect of such accommodation and services shall be brought into account in arriving at the Rent Receivable during the Indemnity Period

Bomb scare or Unlawful Occupation

This Section extends to include interruption of or interference with the **Business** due to

- a) the suspected or actual presence of an incendiary or explosive device on or in the vicinity of the Premises
- b) occupation of the Premises or other property in the vicinity by members of a terrorist or criminal organisation or other unlawful occupants

Provided The **Insurer** will not be liable for

- i) any incident involving an interruption of less than 48 hours duration
- ii) any period other than the actual period of prevention or hindrance of access to the Premises
- iii) eviction costs

The insurance by this Clause shall only apply for the period beginning with the loss and ending not later than three months thereafter during which the results of the **Business** shall be affected in consequence of the **DAMAGE**

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**

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

- i) during the period prior to the date upon which but for the **DAMAGE** the Premises would have been sold the loss of Rent Receivable being the actual amount of the reduction in Rent Receivable solely in consequence of the **DAMAGE**
- ii) during the period commencing with the date upon which but for the **DAMAGE** the Premises would have been sold and ending with the actual date of sale or with the expiry of the Indemnity Period if earlier the loss in respect of interest being
 - a) the actual interest incurred on capital borrowed (solely to offset in whole or part the loss of use of the sale proceeds) for the purpose of financing the **Business**
 - b) the investment interest lost to the **Insured** on any balance of the sale proceeds (after deduction of any capital borrowed as provided under a)less any amount receivable in respect of Rent Receivable
- iii) the additional expenditure being
 - a) the expenditure necessarily and reasonably incurred in consequence of the **DAMAGE** solely to avoid or minimise the loss payable under (i) and (ii) immediately above but not exceeding the amount of loss avoided by such expenditure

- b) the additional legal fees and other expenditure incurred solely as a result of the cancellation or delay in consequence of the **DAMAGE** but not exceeding either an amount equivalent to the expenditure incurred immediately prior to the **DAMAGE** or £50,000 whichever is the less

This Section extends to include Rent Receivable in respect of

- a) alterations additions extensions and improvements to the Premises insured
- b) newly acquired and or newly erected buildings anywhere in the United Kingdom provided they are not otherwise insured

Provided that

- i) at any one Premises the cover shall not exceed 20% of the total Sum Insured on Rent Receivable or £250,000 whichever is the less
- ii) the **Insured** undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the **Insurers** liability
- iii) the provisions of this Clause shall be fully maintained notwithstanding any specific insurance effected under (ii) above

Denial of Access and Loss or Damage at Managing Agents Premises

Subject to the conditions of the **Policy** loss resulting from interruption of or interference with the **Business** in consequence of **DAMAGE**

- a) to property within one mile of the Premises destruction of or damage to which shall prevent or hinder the use of the Premises or access thereto whether the Premises or property of the **Insured** therein shall be damaged or not (but excluding loss destruction of or damage to property of any supply undertaking from which the **Insured** obtain electricity gas or water or telecommunications services which prevent or hinder the supply of such services)
- b) to property at the premises of the **Insureds** Managing Agents

shall be deemed to be loss resulting from **DAMAGE** to property used by the **Insured** at the Premises

Empty Buildings

Where Rent Receivable is insured in respect of any Empty buildings in the event of **DAMAGE** the **Insured** must show that but for the **DAMAGE** Rent Receivable would have been earned and will be required to support a claim for loss of Rent Receivable by submitting reasonable evidence of the amount of Rent Receivable and the date from which it would have been earned

The **Insurer** will have regard

- a) to actual negotiations with prospective tenants both before and after the **DAMAGE**
- b) for demand for similar accommodation in the locality and
- c) of the general level of rents applying

If required the advice of a professional valuer acceptable to both the **Insured** and the **Insurers** will be sought and such fees will be included in the indemnity under this Clause

Failure of Public Supply

This Section extends to include interruption of or interference with the **Business** caused by Damage as defined in this Section giving rise to destruction or damage to property at any

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

from which the **Insured** obtains electricity gas water or telecommunication services within Great Britain Northern Ireland the Channel Islands or the Isle of Man

Loss of Attraction

This Section extends to include loss resulting from interruption of or interference with the **Business** due to **DAMAGE** to property within one mile of the Premises which shall deter potential tenants whether the Premises of the **Insured** or property of the **Insured** therein shall be damaged or not Provided that the maximum amount payable under this Clause in any Period of Insurance shall not exceed

- a) £50,000 or the Sum Insured in respect of each Premises whichever is the less
- b) £250,000 in aggregate

Loss of Investment Income due to Late Payment of Rent

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

Murder Suicide or Disease

The **Insurer** shall indemnify the **Insured** in respect of **DAMAGE** resulting from interruption of or interference with the Business during the Indemnity Period following

- a) any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition) an outbreak of which the local authority has stipulated shall be notified to them manifested by any person whilst in the Premises or within a 500 feet radius of it
- b) murder or suicide in the Premises
- c) Injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided in the Premises
- d) vermin or pests in the Premises
- e) the closing of the whole or part of the Premises by order of a competent public authority consequent upon defect in the drains or other sanitary arrangements at the Premises

The Insurance by this Extension shall only apply for the period beginning with the occurrence of the loss and ending not later than three months thereafter during which the results of the **Business** shall be affected in consequence of the **DAMAGE**

New Business Clause

For the purpose of any claim arising from **DAMAGE** occurring before the completion of the first years trading of the **Business** at the Premises Definitions Annual Rent Receivable and Standard Rent Receivable shall bear the following meanings and not as within stated

Annual Rent Receivable - The proportional equivalent for a period of twelve months of the Rent Receivable realised during the period between the commencement of the **Business** and the date of the **DAMAGE**

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

To which adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or special circumstances affecting the **Business** either before or after the **DAMAGE** or which would have affected the **Business** had the **DAMAGE** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **DAMAGE** would have been obtained during the relative period after the **DAMAGE**

Payments on Account

In the event of loss the **Insurer** will make monthly payments on account during the Indemnity Period to the Insured if desired

Professional Accountants and Legal Fees

The **Insurer** will indemnify the **Insured** in respect of reasonable fees payable by the **Insured**

- i) to their professional accountants for producing any particulars or details contained in the **Insured's business** books or documents or other such proofs information or evidence as the **Insurer** may require under the terms of Condition 4c) and reporting that such particulars or details are in accordance with the **Insured's business** books or documents
- ii) to 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 Review

Where the Rent Receivable is subject to a Rent Review during the Period of Insurance then the Sum Insured by this Section will be automatically increased to reflect the revised Rent Receivable earned

Extra premium will not be charged for such increase in cover during the Period of Insurance provided that the **Insured** shall prior to renewal advise The **Insurer** of the revised Rent Receivable for the ensuing year of insurance

Rent Free Period

If at the date of the **DAMAGE** any Premises are subject to a rent free period 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 does not exceed the Sum Insured or any Limit of Liability stated in the **Policy** whichever is the lower

Sale of Property Insured

If at the time of **DAMAGE** to the Premises the **Insured** shall have contracted to sell the interest of the **Insured** in such building and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase if and so far as the Rent Receivable are not otherwise insured by or on behalf of the purchaser against such **DAMAGE** shall be entitled to the benefits of this Section of the **Policy** so far as it relates to such **DAMAGE** without prejudice to the rights and liabilities of the **Insured** or The **Insurer** under this Section up to the date of completion

Value Added Tax

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

Reinstatement of Sum Insured

In the event of loss the Sum Insured by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the **Insurer** or by the **Insured** and the **Insured** undertake to pay such necessary premiums as may be required for such reinstatement from that date

Indemnity

The **Insurer** will Indemnify the **Insured** against all sums the **Insured** shall become legally liable to pay as damages and claimants costs and expenses arising out of accidental

- a) Injury to any person
- b) loss or damage to material property
- c) obstruction, trespass, nuisance or interference with any right of way air light or water or other easement
- d) wrongful arrest detention imprisonment or eviction of any person or invasion of the right of privacy

occurring within the Territorial Limits during the Period of Insurance and happening in connection with the **Business**

Limit of Liability

The liability of the **Insurer** for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule

In addition the **Insurer** will pay

- 1 all other costs and expenses incurred with its written consent
- 2 the legal costs and expenses incurred with its written consent for the defence of prosecution brought under the Health and Safety at Work etc Act 1974 for any alleged offence or under the Health and Safety at Work (Northern Ireland) Order 1978 including legal costs and expenses incurred with the consent of The **Insurer** in an appeal against conviction arising from such proceedings provided that –
 - a) the proceedings relate to the health safety and welfare of persons other than Employees
 - b) The **Insurer** will not indemnify the **Insured** in respect of
 - i) fines and penalties
 - ii) costs or expenses insured by any other **policy**

Clauses

Contractual Liability

In connection with liability assumed under agreement this Section

- a) shall apply only if the conduct and control of claims is vested in the **Insurer**
- b) shall not apply in respect of liquidated damages fines or penalties

Cross Liabilities

If more than one **Insured** is referred to in the Schedule each **Insured** so named shall be considered as a separate and distinct entity and the word **Insured** shall be construed as applying to each separate **Insured** in the same manner as if a separate **policy** had been issued to each

Provided always that the liability of the **Insurer** for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed in the aggregate the Limit of Indemnity stated in the Schedule

Discharge of Liability

The **Insurer** may pay the Limit of Indemnity or any lesser amount for which any claim or claims against the **Insured** can be settled and the **Insurer** shall be under no further liability in respect of such claim or claims except for costs or expenses incurred prior to the date of such payment

Extensions

Additional Persons Insured

The **Insured** shall extend to include in the event of the death of any person entitled to indemnity under this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person

At the request of the **Insured** the **Insurer** will indemnify in the terms of this Section any director of the **Insured** or Employee in respect of liability arising in connection with the ownership of the premises described in the Schedule

Provided always that

- a) each such additional person **insured** shall as though they were the **Insured** observe fulfil and be subject to the terms of this **Policy** insofar as they can apply
- b) The **Insurer** shall retain the sole conduct and control of all claims

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** are entitled to indemnity under this Section 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** £100
- b) any Employee £50

Data Protection Act

The **Insurer** will indemnify the **Insured** in respect of liability arising under the Data Protection Act 1998 to pay compensation for damage or distress

Provided that

- a) the process of registration under the above Act has been commenced or completed by the **Insured** and the application has not been refused or withdrawn
- b) no liability arises as a result of the provision by the **Insured** of the services of a Data Processor

The **Insurer** shall not be liable in respect of

- a) the recording or provision of data for reward or for determining the financial status of any person
- b) any liability which arises as a result of a deliberate act or omission of the **Insured** and which could reasonably have been expected by the **Insured** having regard to the nature and circumstances of such act or omission

The total liability of the **Insurer** including all costs and expenses in this respect shall not exceed £250,000 during any one Period of Insurance

For the purposes of this Extension the phrases or words 'Data Processor' and 'Data' shall carry the same meaning as defined under the Data Protection Act 1998

Defective Premises Act

This Section subject otherwise to the terms of the **Policy** extends to indemnify the **Insured** against liability for Injury loss or damage arising solely by reason of Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of any premises previously owned for purposes pertaining to the **Business** and since disposed of by the **Insured** provided that –

- 1 this extension shall not indemnify the **Insured** in respect of loss of or damage to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect therein
- 2 The **Insurer** will not be liable under this extension if the **Insured** are entitled to indemnity under any other insurance

Overseas Personal Liability

The **Insurer** will indemnify the **Insured** and if the **Insured** so request any director or partner of the **Insured** any Employee or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man 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) in respect of which any person referred to above is entitled to indemnity under any other insurance

Only applicable if this Section is shown as operative in the Schedule

Indemnity

The **Insurer** will indemnify the **Insured** against all sums that the **Insured** shall become legally liable to pay as damages together with costs and expenses shown below in respect of Injury sustained within the Territorial Limits during the Period of Insurance by any Employee arising out of and in the course of his/her employment by the **Insured** in the **Business**

Limit of Indemnity

The liability of The **Insurer** under this Section for damages costs and expenses payable in respect of any one claim against the **Insured** or series of claims against the **Insured** arising out of one event shall not exceed the amount stated in the Schedule
Costs and expenses shall be deemed to mean –

- 1 costs and expenses of claimants for which the **Insured** is legally liable
- 2 other costs and expenses incurred with the **Insurers** written consent in respect of any claim which may be the subject of indemnity under this Section
- 3 Solicitors fees incurred with the **Insurers** written consent for
 - a) defence in any Court of Summary Jurisdiction of any proceedings brought against the **Insured** in respect of breach or alleged breach of any statutory duty resulting in Injury
 - b) representation at a Coroners Court or Fatal Accident Inquiry in respect of any death which may be subject to indemnity under this Section
- 4 legal costs and expenses incurred by the **Insured** and at the request of the **Insured** any director or Employee with The **Insurers** written consent and costs awarded against the **Insured** or director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that
 - a) the proceedings relate to the health safety or welfare of Employees
 - b) The **Insurer** will not indemnify the **Insured** in respect of
 - i) fines or penalties
 - ii) costs and expenses insured by any other **policy**

Right of Recovery

This Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Ireland the Channel Islands or the Isle of Man but the **Insured** shall repay to the **Insurer** all sums paid by the **Insurer** which the **Insurer** would not have been liable to pay but for the provisions of such law

Extensions

Additional Persons Insured

- a) In the event of the death of any person entitled to indemnity under this Section the **Insurer** will indemnify in the terms of this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person
- b) At the request of the **Insured** the **Insurer** will indemnify in the terms of this Section
 - i) any principal in respect of liability arising out of the performance by the **Insured** of any agreement entered into by the **Insured** with the principal to the extent required by such agreement
 - ii) any director of the **Insured** or Employee in respect of liability arising in connection with the **Business**

Provided that the **Insured** would have been entitled to indemnity under this Section if the claim had been made against the **Insured**

- i) any officer committee or member of the **Insureds** canteen sports social or welfare organisations fire security first aid medical or ambulance services in their respective capacities as such
- ii) any director or senior official of the **Insured** in respect of private work undertaken by any Employee for such director or senior official

Provided that

- i) each person shall as though he were the **Insured** observe fulfil and be subject to the terms of this Section insofar as they can apply
- ii) The **Insurer** shall retain the sole conduct and control of all claims

Compensation for Court Attendance

In the event 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 under this Section 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 £100
- b) any Employee £50

Unsatisfied Court Judgements

In the event of Injury to an Employee sustained during the Period of Insurance and arising out of his/her employment by the **Insured** in the course of the **Business** which results in a judgement for damages being obtained by such Employee or his/her personal representatives and which remains unsatisfied in whole or in part six months after the date of such judgement The **Insurer** will at the request of the **Insured** pay to the Employee or his/her personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that

- a) the judgement for damages is obtained
 - i) in a court of law within Great Britain Northern Ireland the Channel Islands or the Isle of Man
 - ii) against a company partnership or individual other than the **Insured** conducting a **business** at or from premises within the territories described in (a) (i) above
- b) there is no appeal outstanding
- c) this judgement relates to Injury which would otherwise be within the terms of the **Policy**
- d) if any payment is made under the terms of this extension the Employee or the personal representatives of the Employee shall assign the judgement to the **Insurer**

Only applicable if this Section is shown as operative in the Schedule

In consideration of the payment of the Premium in respect of the Period of Insurance the cover provided under Sections 1 and 2 of this **policy** is extended to include **DAMAGE** occasioned by or happening through or in consequence of Terrorism as hereinafter defined for the purposes of this Section 5

Terrorism is defined for the purposes of this Section 5 only as

An act of any person(s) 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 any government de jure or de facto as certified by Her Majesty's Government or H M Treasury or any successor relevant authority

or

An act of any person(s) acting alone and not on behalf of or in connection with any organisation who carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto and such act not being certified by Her Majesty's Government or HM Treasury or any successor relevant authority and in the event of any challenge to such non-certification the refusal to certify being upheld by a Tribunal ruling confirming such non-certification

Provided always that the insurance provided by this Section 5 is

A in respect only of the insurance provided by paragraph 1 of this Section 5 not subject to the **Policy** Exclusions but is subject to the following War and Allied Risks exclusion

DAMAGE occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war is declared or not) civil war rebellion revolution insurrection or military or usurped power nationalisation confiscation requisition seizure or destruction by the government or any public authority

B in respect only of the insurance provided by paragraph 2 of this Section 5 not subject to **Policy** Exclusion 16 (Terrorism etc)

C subject to the following additional exclusions

1 Electronic Risks Exclusion

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting 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

For the purposes of this exclusion the following definitions shall apply

Virus or Similar Mechanism

Virus or Similar Mechanism means 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

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

Denial of Service Attack

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

2 Excluded Property

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **DAMAGE** in respect of

- i) any property located outside England Wales and Scotland
- ii) any nuclear installation or nuclear reactor
- iii) any property which is specifically excluded elsewhere in this **Policy**
- iv) any property which is insured by or would but for the existence of this **Policy** be insured by any form of transit aviation or marine **policy**

D subject to the following additional **policy** terms and conditions

- a) In any action or other proceedings where The **Insurer** alleges that any **DAMAGE** is not covered by this Section 5 the burden of proving that such **DAMAGE** is covered shall be upon the **Insured**
- b) Except where otherwise indicated in this Section 5 the insurance provided by this Section 5 is subject to all the terms definitions exclusions conditions and provisions of this **Policy** Subject to any limits stated within this Section 5 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 limits as otherwise specified under this **Policy**

E in respect only of the insurance provided by paragraph 2 of this Section 5 subject to the following additional **policy** term the liability of the **Insurer** in respect of **DAMAGE** directly or indirectly caused by contributed to by resulting from or arising out of or in connection with biological chemical or nuclear pollution or contamination will be subject to a limit of up to £25 million any one loss and in the aggregate during any one period of insurance

Section 1 and 2

The insurance by these Sections does not cover

- 1 **DAMAGE** caused by or consisting of
- a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
 - b) the bursting by steam pressure of a boiler economiser vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured** other than
 - i) in respect of Section 1 – a boiler used for domestic purposes only
 - ii) in respect of Section 2 – any boiler or economiser on the Premises or a boiler used for domestic purposes only
 - c) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

But this shall not exclude subsequent **DAMAGE** or subsequent loss resulting from **DAMAGE** which itself results from a cause not otherwise excluded

- 2 **DAMAGE** caused by or consisting of
- a) faulty or defective workmanship operational error or omission on the part of the **Insured** or any of his Employees
but this shall not exclude
 - i) such **DAMAGE** not otherwise excluded which itself results from a Defined Peril
 - ii) subsequent **DAMAGE** which itself results from a cause not otherwise excluded
 - b) acts of fraud or dishonesty by the **Insureds** Employees
but this shall not exclude such **DAMAGE** not otherwise excluded which itself results from a Defined Peril

- 3 **DAMAGE** caused by or consisting of
- a) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - b) change in temperature colour flavour texture or finish
 - c) 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
 - d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originates
 - e) in respect of Section 2 – the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunication services

But this will not exclude

- i) such **DAMAGE** not otherwise excluded which itself results from a Defined Peril or from any other accidental loss destruction or damage
- ii) subsequent **DAMAGE** which results from a cause not otherwise excluded

- 4 Infidelity or dishonesty of the **Insured** or any of their Employees or other persons to whom Property Insured may be entrusted nor loss destruction or damage resulting from the **Insured** voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme trick device or false pretence or any unexplained loss or loss or shortage disclosed on taking inventory

- 5 a) in respect of Section 1
loss or destruction or damage caused by pollution or contamination but this shall not exclude destruction of or damage to the Property Insured not otherwise excluded caused by
- i) pollution or contamination which itself results from a Defined Peril
 - ii) a Defined Peril which itself results from pollution or contamination

- b) in respect of Section 2
loss resulting from pollution or contamination but this shall not exclude loss resulting from destruction of or damage to property used by the **Insured** at the Premises for the purpose of the **Business** not otherwise excluded caused by
- i) pollution or contamination at the Premises which itself results from a Defined Peril
 - ii) a Defined Peril which itself results from pollution or contamination
- 6 **DAMAGE** caused by or consisting of
- a) subsidence ground heave or landslip unless resulting from fire explosion earthquake or the escape of water from any tank apparatus or pipe
 - b) normal settlement or bedding down of new structures
- 7 **DAMAGE** caused by or consisting of or arising directly or indirectly from
- a) disappearance unexplained or inventory shortage misfiling or misplacing of information
 - b) in respect of Section 2
 - i) erasure loss distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons
 - ii) other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from a Defined Peril insofar as it is not otherwise excluded
- 8
- a) in respect of Section 1
destruction of or damage to a building or structure caused by its own collapse or cracking
 - b) in respect of Section 2
loss resulting from destruction of or damage to a building or structure used by the **Insured** at the Premises caused by its own collapse or cracking unless resulting from a Defined Peril in so far as it is not otherwise excluded
- 9 **DAMAGE** in respect of movable property in the open fences and gates by wind rain hail sleet snow flood or dust
- 10 **DAMAGE** in respect of
- a) glass (other than fixed glass) china earthenware marble or other fragile or brittle objects
 - b) in respect of Section 1 – curiosities or works of art
other than such **DAMAGE** caused by a Defined Peril and not otherwise excluded
- 11 Unless specifically mentioned as insured under Section 1
- a) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
 - b) land roads pavements piers jetties bridges culverts or excavations
 - c) trees or growing crops
- 12 In respect of Section 1 – property which at the time of the happening of **DAMAGE** is insured by or would but for the existence of this **Policy** be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- 13 In respect of Section 1 – any property more specifically insured by or on behalf of the **Insured**
- 14 **DAMAGE** occasioned by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power nationalisation confiscation requisition seizure or destruction by the government or any public authority
- 15 **DAMAGE** or any other loss or expense whatsoever resulting or arising therefrom or any consequential loss 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

- 16 a) Loss damage cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with
- i) any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii) any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism

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

Definition – Terrorism

For the purpose of this exclusion an act of Terrorism shall mean an act including but not limited to the use of force or violence and or threat thereof of any person or group(s) of persons where acting alone or on behalf of or in connection with any organisation(s) or governments(s) committed for political religious ideological or similar purposes including the intention to influence any government and or put the public or any section of the public in fear

- b) **DAMAGE** in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of
 - (i) riot civil commotion and (except in respect of **DAMAGE** by fire or explosion) strikers locked-out workers or persons taking in part in labour disturbances or malicious persons
 - (ii) Terrorism as defined in a) above
- 17 a) **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 programming or operator error Virus or Similar Mechanism or Hacking
- b) loss of Gross Rentals and or additional expenditure directly or indirectly caused by or arising from any programming or operator error Virus Similar Mechanism or Hacking but this shall not exclude **DAMAGE** or consequential loss not otherwise excluded which itself results from a Defined Peril save in respect of malicious persons other than thieves

For the purposes of this Section Exclusion the following Definitions apply

- a) Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions Intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not This Definition of Virus or Similar Mechanism includes but is not limited to Trojan horses and logic bombs
- b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data

In addition the above Section Exclusion is deemed to apply in addition to Section Exclusion 7(b)

Sections 1, 2, and 3

Under these Sections the **Insurer** shall not be liable to any claim directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000

- i) correctly to recognise any date as its true calendar date
- ii) to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- iii) to capture save or retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date

but this shall not exclude in respect of Sections 1 (Buildings) and 2 (Rental Income) subsequent **DAMAGE** not otherwise excluded which itself results from a Defined Peril

Section 3

Under this Section the **Insurer** shall not be liable for any claim in respect of

- 1 Injury to any Employee
- 2 Loss of or damage to
 - a) property belonging to the **Insured**
 - b) property which is leased let rented hired or lent to or which is the subject of a bailment to the **Insured**
- 3 Injury loss or damage caused by or in connection with or arising out of the ownership possession or use by or on behalf of the **Insured** of any
 - a) aircraft hovercraft or watercraft
 - b) mechanically-propelled vehicle or trailer attached thereto (other than motorised garden implements used to maintain the land belonging to the premises described in the Schedule)
- 4 Any consequence whether direct or indirect of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- 5 Any legal liability 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

- 6 Liability for Pollution or Contamination other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance

All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place

The liability of the **Insurer** for all damages payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the Limit of Indemnity stated in the Schedule

For the purpose of this clause 'Pollution or Contamination' shall be deemed to mean

- i) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and
- ii) all loss or damage or injury directly or indirectly caused by such Pollution or Contamination

- 7 This insurance does not provide an indemnity in respect of any liability of whatsoever nature directly or indirectly caused or occasioned by or happening through or in consequence of Terrorism or any action taken in controlling preventing suppressing or in any way relating to Terrorism

For the purposes of this Clause 'Terrorism' means an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or in part for political religious ideological or similar purposes

Section 4

- 1 So far as concerns the liability of any principal or liability assumed by the **Insured** under agreement and which would not have attached in the absence of such agreement this Section shall not apply to any liability of whatsoever nature directly or indirectly caused by or contributed to or arising from
- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

- 2 This Section does not provide an indemnity in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation

- 3 The liability of the **Insurer** under this section for damages costs and expenses payable in respect of any one claim against the **Insured** or series of claims against the **Insured** arising out of one event shall not exceed £5,000,000 This limitation shall only apply in respect of any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from War Civil War Terrorism or Political Risk as defined below

For the purposes of this Clause 'War Civil War Terrorism or Political Risk' means war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution military or usurped power martial law confiscation or nationalisation or requisition or destruction of property by or under the order of any Government or public or local authority Terrorism or any action taken in controlling preventing suppressing or in any way relating to any of the above For the purposes of this Clause 'Terrorism' means an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or in part for political religious ideological or similar purposes

Sections 3 and 4

- 1 The **Insurers** shall not be liable for any loss cost or expense directly or indirectly arising out of or resulting as a consequence of or related to the manufacture mining processing ownership distribution testing remediation removal storage disposal sale transportation use of or exposure to asbestos or silica or polychlorinated biphenyls or materials or products containing such substances (or any other component building material hazardous to health) whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss

In respect of Section 4 Employers Liability this Exclusion shall only apply in excess of £5,000,000 any one Occurrence

Policy Exclusions applicable to all sections

1 Biological or chemical Materials

The **Insurers** shall not be liable for Loss or Damage costs or expenses of whatsoever nature directly or indirectly caused by resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto

2 Electronic cyber liabilities

The **Insurers** shall not be liable for Loss or Damage associated with or caused by a System Failure if a System Failure forms an identifiable element in the chain of events from which the liability arises whether or not it is the proximate cause of the liability

System Failure shall mean malfunction or non-function of any mechanical and/or electronic system (whether or not the property of the **Insured**) caused by

- a) the response of a computer to any date or date change or
- b) the failure of a computer to respond to any date or date change or
- c) the loss of or denial of access to any data either your own or third party or
- d) any Loss of or Damage to or change or corruption in data or software on a computer or computer system or
- e) any Computer virus or hacking into or degradation of or breach of security in or denial of access to a computer or computer system or website

Computer includes computer hardware computer software microchip microprocessor any electronic equipment and any device which gives or processes or receives or stores electronic instructions or information

3 Exclusion for Misuse of the Internet and Extra-net

The **Insurers** shall not be liable for Liability arising directly or indirectly from the use or misuse of the Intranet Extra-net and/or caused via the **Insureds** own website or internet site or web address and/or via the transmission of mail plans designs photographs or other documents by electronic means

4 Asbestos and Hazardous Substances

The **Insurers** shall not be liable for Liability for any loss cost or expense directly or indirectly arising out of or resulting as a consequence of or related to the manufacture mining processing ownership distribution testing remediation removal storage disposal sale transportation use of or exposure to asbestos or silica or polychlorinated biphenyls or materials or products containing such substances (or any other component building material hazardous to health) whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss

5 Sanctions

Insurers shall not be deemed to provide cover and no **Insurer** shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover payment of such claim or provision of such benefit would expose that **Insurer** to any sanction prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union United Kingdom or United States of America

Applicable only if the Clause numbers are entered in the Schedule

1 Subsidence Ground Heave and Landslip

Notwithstanding Exclusions 6(a) and 6(b) the insurance by Sections 1 and 2 extends to cover **DAMAGE** caused by Subsidence or Ground Heave of any part of the site on which the property stands or Landslip excluding

- a) the first £1,000 of each and every loss in respect of Section 1 at each separate premises as ascertained after the application of any Condition of Average
- b) **DAMAGE** to yards car parks roads pavements walls gates and fences unless also affecting a building insured hereby
- c) **DAMAGE** caused by or consisting of
 - i) the normal settlement or bedding down of new structures
 - ii) the settlement or movement of made-up ground
 - iii) coastal or river erosion
 - iv) defective design or workmanship or the use of defective materials
 - v) fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe
- d) **DAMAGE** which originated prior to the inception of this cover
- e) **DAMAGE** resulting from
 - i) demolition construction structural alteration or repair of any property
 - or
 - ii) groundwork or excavation at the premises

Special Conditions

Insofar as this insurance relates to **DAMAGE** caused by Subsidence Ground Heave or Landslip

- a) The **Insured** shall notify The **Insurer** immediately they become aware of any demolition groundworks excavation or construction being carried out on any adjoining site
- b) The **Insurer** shall then have the right to vary the terms or cancel this cover

2 Temporary Cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with particulars lodged with the **Insurer**) pending this **Policy** being issued

Applicable only if the Clause numbers are entered in the Schedule

3 Failure of Other Insurances

The insurance by Sections 1 and 2 extends to cover

- a) **DAMAGE** to Buildings
- b) loss of Rent Receivable following **DAMAGE** to buildings

in which the **Insured** has an insurable interest but under the terms of the lease the responsibility for arranging adequate insurance cover rests with a third party lessee or third party lessor

Provided that

- a) a valid enforceable lease is in force
- b) the **Insured** could not have prevented such failure
- c) this Extension shall only apply
 - i) in the event of failure of the third party's insurance and then only for the excess beyond the amount payable under such insurance
 - ii) in respect of claims arising directly from a contingency specified in the lease but in no case greater in scope than the cover provided by this **Policy**
- d) at any one Premises this cover shall not exceed
 - i) in respect of Section 1 20% of the total Sum Insured by the Section but in no case exceeding £2,000,000
 - ii) in respect of Section 2 20% of the total Sum Insured or £250,000 whichever is the less Further it is a condition of the insurance by each Section that

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

1 Alteration of Risk

The **Insured** must notify the **Insurer** as soon as possible during the period of insurance if there is any change in circumstances or to the material facts previously disclosed by the **Insured** to the **Insurer** or stated as material facts by the **Insurer** to the **Insured** which increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change the **Insurer** will be entitled to vary the premium and terms for the rest of the period of insurance. If the changes make the risk unacceptable to the **Insurer** then the **Insurer** is under no obligation to agree to make them and may no longer be able to provide the **Insured** with cover.

If the **Insured** does not notify the **Insurer** of any such change the **Insurer** may exercise one or more of the options described in clauses (C) i), ii) and iii) of Policy Condition 10 - Fair Presentation of the Risk but only with effect from the date of the change in circumstances or material facts.

2 Arbitration

If any difference shall arise as to the amounts 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 statutory provisions Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **Insurer**

3 Cancellation - Our Rights

We shall not be bound to accept any renewal of this **Policy** and may at any time give 21 days notice of cancellation by recorded delivery to Your last known address Thereupon You shall be entitled to the return of a proportionate part of the premium paid (minus any fees charged or other premiums not relating to this **policy**) in respect of the unexpired term of this **Policy** provided that there have been:

- a) no claims made under the **Policy** for which We have made a payment
- b) no claims made under the **Policy** which are still under consideration
- c) no incident likely to give rise to a claim but is yet to be reported to Us during the current Period of Insurance

This termination shall be without prejudice to any rights or claims of the **Insured** or the **Insurer** prior to the expiration of such notice.

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance, no refund for the unexpired portion of the premium will be given

Your Rights

You may cancel this **Policy** in the first year of insurance during the 14 days after the Contract has been concluded by giving notice in writing to Your Insurance Adviser at the address shown in their correspondence or to the **Insurers** as shown on your **Policy** schedule. This right does not apply at the first or any subsequent renewal of the policy

Provided that there have been:

- a) no claims made under the Policy for which We have made a payment
- b) no claims made under the Policy which are still under consideration
- c) no incident likely to give rise to a claim but is yet to be reported to Us

during this 14 day period, We will give a refund for the proportionate part of the premium paid in respect of the unexpired term of this **Policy**, subject to a minimum premium of £50

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance, no refund for the unexpired portion of the premium will be given

4 Claims

Communication

All claims are to be referred to the **Insurers** Nominated Claims Handlers as specified in the Schedule

Insured's Duties

On the happening of any event which may give rise to a claim the **Insured** shall

- a) **General – applicable to all Sections**
 - i) notify the **Insurer** immediately
 - ii) take all practicable steps to recover property lost and otherwise minimise the claim
 - iii) inform the Police immediately if the loss or damage is caused by thieves malicious persons or vandals or by riot civil commotion strikes or labour disturbances
 - iv) give all information and assistance The **Insurer** may require

- b) **Applicable to Section 1 – Buildings**

within 30 days or such further time as the **Insurer** may in writing allow deliver to the **Insurer** a written claim providing at their own expense all details proofs and information regarding the cause and amount of **DAMAGE** as The **Insurer** may reasonably require together with details of any other insurances on any property insured by this **Policy** and (if demanded) a statutory declaration of the truth of the claim and of any related matters

No claim under this Section shall be payable unless the terms of this condition have been complied with

- c) **Applicable to Section 2 –Rental Income**

within 30 days after the expiry of the Indemnity Period or within such further time as the **Insurer** may in writing allow at their own expense deliver to the **Insurer** a statement setting out particulars of the claim together with details of all other insurances covering any part of the **DAMAGE** or resulting loss of rental income

The **Insured** shall at their own expense also provide the **Insurer** with such books of account and other **business** books vouchers invoices balance sheets and other documents proofs information explanations and other evidence as may reasonably be required by the **Insurer** for the purpose of investigating or verifying such claim together with (if demanded) a statutory declaration of the truth of the claim and of any related matter

No claim under this Section shall be payable unless the terms of this condition have been complied with and in the event of noncompliance therewith in any respect any payment on account of the claim already made shall be repaid to the **Insurer** immediately

- d) **Applicable to Sections 3 and 4 – Public Liability and Employers Liability**
 - i) not make or allow to be made on their behalf any admission offer promise payment or indemnity without the written consent of the **Insurer**
 - ii) immediately forward to The **Insurer** every letter claim writ summons and process immediately upon receipt without acknowledgement
 - iii) advise the **Insurer** in writing immediately they have any knowledge of any impending prosecution inquest Fatal Accident or Ministry Enquiry

5 Claims – Insurer's Rights

The Insurer

- i) On the happening of **DAMAGE** in respect of which a claim is made may without thereby incurring any liability or diminishing any of the **Insurers** rights under this **Policy** enter take or keep possession of the premises where such **DAMAGE** has occurred and take possession of or require to be delivered to the **Insurer** any property insured and deal with such property for all reasonable purposes and in any reasonable manner
No claim under Section 1 shall be payable unless the terms of this condition have been complied with No property may be abandoned to the **Insurer** whether taken possession of by the **Insurer** or not
- ii) shall have full discretion in the conduct of any proceeding and in the settlement of any claim

6 Contracts (Rights of Third Parties) Act

The parties to this contract do not intend that any clause or term of this contract should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this contract

7 **Fraud**

If any claim is in any respect fraudulent or if any fraudulent means or devices are used by the **Insured** or anyone acting on the **Insured's** behalf to obtain any benefit under this **Policy** or if any loss or **DAMAGE** is occasioned by the wilful act or with the connivance of the **Insured Insurer** may:

- a) refuse to pay the claim; and
- b) terminate the policy from the date of the fraudulent act and retain any premium paid under the **POLICY**.

8 **Identification**

This **Policy** and the Schedule (which forms an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule shall bear such specific meanings wherever they may appear

9 **Instalments Clause**

If the premium on this Policy is payable by the **Insurers** Budget Plan and the **Insured** does not pay each instalment on the due date all cover under the **Policy** is cancelled automatically from the date such instalment was due or where statute requires the giving of notice the day following the expiry of such notice

If the premium on this **Policy** is payable by the **Insurer's** Budget Plan and during the current period of insurance

- a claim has been made under the **Policy** for which We have made a payment
- a claim has been made under the **Policy** which is still under consideration
- an incident has occurred which is likely to give rise to a claim but is yet to be reported to Us

the annual premium remains due in full. In such case monthly collections must continue or a one off payment be agreed to settle the outstanding amount

Where a one off payment is not made to settle the outstanding amount You must continue with the instalment payments.

Alternatively we may deduct any outstanding instalments from any claim payment that may be due to You or payable on your behalf

Any instalments payments legitimately taken prior to the notification of cancellation of the Budget Plan agreement will be retained. Any refund of premium will be in respect of any subsequent collections taken between the time of notification and cancellation

10 **Fair Presentation of the Risk**

a) At inception and renewal of this **Policy** and also whenever changes are made to it at the **Insured's** request the **Insured** must:

- i) disclose to the **Insurers** all material facts in a clear and accessible manner; and
- ii) not misrepresent any material facts.

b) If the **Insured** does not comply with clause (a) of this condition the **Insurer** may:

- i) avoid this **Policy** which means that the **Insurer** will treat it as if it had never existed and refuse all claims where any non-disclosure or misrepresentation by the **Insured** is proven by the **Insurer** to be deliberate or reckless in which case the **Insurer** will not return the premium paid by the **Insured**; and
- ii) recover from the **Insured** any amount the **Insurer** has already paid for any claims including costs or expenses the **Insurer** has incurred.

c) If the **Insured** does not comply with clause (a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless this **Policy** may be affected in one or more of the following ways depending on what the **Insurer** would have done if the **Insurer** had known about the facts which the **Insured** failed to disclose or misrepresented:

- i) If the **Insurer** would not have provided the **Insurer** with any cover the **Insurer** will have the option to:
 - 1) avoid the **Policy** which means that the **Insurer** will treat it as if it had never existed and repay the premium paid; and
 - 2) recover from the **Insured** any amount the **Insurer** has already paid for any claims including costs or expenses the **Insurer** has incurred.

- ii) If the **Insurer** would have applied different terms to the cover the **Insurer** will have the option to treat this **Policy** as if those different terms apply. The **Insurer** may recover any payments made by the **Insurer** on claims which have already been paid to the extent that such claims would not have been payable had such additional terms been applied.
- iii) If the **Insurer** would have charged a higher premium had the material fact been disclosed or not been misrepresented, the **Insurer** may reduce proportionately the amount to be paid on any claim. For the purpose of this clause “reduce proportionately” means the proportion for which the **Insurer** is liable being calculated by comparing the premium actually charged as a percentage of the premium which the **Insurer** would have charged had the **Insured** made a fair presentation.
e.g. If the additional premium required due to the non-disclosure or misrepresentation is 20% of the original premium then **Insurers** can reduce the value of the claim by 20%.
If the **Insurer** would have underwritten this **Policy** or agreed to the variation on different terms (other than in relation to the premium charged), the **Insurer** shall be entitled to impose all such terms by giving the **Insured** written notice of all such additional terms. Any additional term notified shall take effect as if imposed from the inception of this **Policy** or the date of the variation.
- d) Where this **Policy** provides cover for any person other than the **Insured** and that person would if they had taken out such cover in their own name have done so for purposes wholly or mainly unconnected with their trade, business or profession the **Insurer** will not invoke the remedies which might otherwise have been available to the **Insurer** under this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular insured person other than the **Insured**.

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

11 **Observance of Terms**

It is a condition precedent to any liability on the part of the **Insurer** under this **Policy** that the terms hereof so far as they relate to anything to be done or complied with shall be duly and faithfully observed

12 **Other Insurances and Average**

a) **Applicable to Section 1 – Buildings**

If at the time of any **DAMAGE** there is any other insurance effected by or on behalf of the **Insured** covering any of the property damaged the liability of The **Insurer** hereunder shall be limited to its rateable proportion of such **DAMAGE**. If any other insurance shall be subject to any average (under insurance) condition this Section if not already subject to any Condition of Average shall be subject to Average in like manner

If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably the liability of The **Insurer** hereunder shall be limited to that proportion of the **DAMAGE** as the Sum Insured hereby bears to the value of the property

b) **Applicable to Section 2 – Rental Income**

If at the time of any **DAMAGE** resulting in a loss under this Section there be any other insurance effected by or on behalf of the **Insured** covering such loss or any part of it the liability of The **Insurer** hereunder shall be limited to its rateable proportion of such loss

c) **Applicable to Sections 3 and 4 – Public Liability and Employers Liability**

The **Insurer** will not indemnify the **Insured** in respect of liability which is insured by or would but for the existence of the Section be insured by any other **policy** except in respect of any excess beyond the amount payable under such other **policy** had this insurance not been effected

13 **Reasonable Precautions**

The **Insured** shall

- a) take all reasonable precautions to prevent occurrences which may give rise to **DAMAGE** or accidents
- b) take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require

14 **Reinstatement**

If any property insured by Section 1 is to be reinstated or replaced by The **Insurer** the **Insured** shall at their own expense provide all such plans documents books and information as may be reasonably required The **Insurer** shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than its Sum Insured

15 **Subrogation**

Any claimant under this **Policy** shall at the request and at the 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 be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** at its own expense and for its own benefit any claim for indemnity or damages or otherwise

16 **Warranties**

Every warranty to which Section 1 or any item thereof is or may be subject shall from the time of the warranty attaching apply and continue to be in force during the whole currency of Section 1 and non-compliance with any such warranty insofar as it increases the risk of **DAMAGE** shall be a bar to any claim in respect of such **DAMAGE** provided that whenever this **Policy** 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

17 **Fees**

Gresham Underwriting Limited may charge a policy fee which will be shown on the schedule and quotation documents.



COMMERCIAL PROPERTY OWNERS INSURANCE POLICY



Gresham Underwriting Limited is authorised and regulated by the Financial Conduct Authority.
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