

Policyfast Landlords

Policy booklet



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Welcome

Thank **you** for choosing to arrange your new Landlords policy via Policyfast Limited.

We know how important it is to have peace of mind when it comes to protecting **your property**, so as a valued customer **we** are determined to making insuring with **us** as easy and problem free as possible and in the unfortunate event that **you** have to make a claim **we** provide **you** with an exceptional service.

This **policy** booklet provides all the details about **your** insurance with **us** and should be read in conjunction with **your schedule**, any **endorsements** and the information **you** provided to **us** when applying for this insurance and/or advised to **us** subsequently.

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Useful telephone numbers

Making a claim

Simply telephone 0344 856 2425 and quote **your policy** number

Please have as much information as possible to hand including **your policy** number, to enable **us** to assist **you** as quickly as possible.

Under Section 5 Legal Expenses

If the Insured needs to notify a possible Claim, they should write immediately to the Claims Department (Abbey Legal Protection, 20 Fenchurch Street, London EC3M 3AZ or e-mail claims@abbeylegal.com). The Insured should provide their Policy Number and brief details of the circumstances.

A claim form will be sent to the Insured for completion and this must be returned without delay. Please note that in certain circumstances (as shown on the Schedule) Abbey Legal Protection will choose a suitable representative to act on the Insured's behalf.

The insurance contract

In return for payment of the premium shown in the **schedule**, **we** agree to insure **you**, subject to the terms and conditions contained in or endorsed on this insurance, against loss or damage **you** sustain or legal liability **you** incur for accidents happening during the **period of insurance**.

Abbey Claims Line 0345 350 1099

Abbey Legal Helpline 0845 313 2881

What cover is included

The **policy** is divided into a number of sections and each section tells **you** what **we** will or will not pay for. To find which sections are in force **you** should check **your schedule** which is enclosed with the **policy**. **Your schedule** also tells **you** how much **you** are insured for.

Policy Limitations

This **policy** is subject to certain Conditions and Exclusions as shown on pages 3-6 and limitations contained in the 'What is not covered' and 'Settlement of Claims' elements of Sections 1 and 2.

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Definitions

Wherever the following words or phrases appear in this **policy**, they will be shown in bold and have the following meanings::

Accidental Damage

Single and sudden unexpected event resulting in physical damage.

Buildings

The Private Dwelling(s) as specified in the **schedule** constructed of brick, stone or concrete with a slate, tile or concrete roof including interior decorations, building fabric and fixtures and fittings and domestic outbuilding, garages, domestic fixed fuel oil tanks, swimming pools, tennis courts, solar panels, hot tubs, drives, patios and terraces, walls, gates, hedges and fences all owned by **you** or for which **you** are legally responsible and within the boundaries of the **land** as specified in the **schedule**. **Buildings** also includes carpets, curtains and white goods belonging to the landlord are included up to GBP2,500 in total

Contents

Household goods and furnishings contained in the **property** that **you** own or are legally responsible for.

The term **contents** does not include:

- any permanent fixture and fittings of **your property**, including ceilings, wallpaper and the like,
- **property** held in connection with **your** trade, profession, business or occupation other than the letting of the **property** specified in the **schedule**,
- **personal money**,
- **credit cards**,
- **property** insured by any other insurance.
- any living creature,
- **motorised vehicles**, aircraft, boats, boards and craft designed to be used on or in water, caravans and trailers, and the parts, spares and accessories of any of these,
- **valuables**, personal effects and clothing.

Credit cards

Bank, charge, cheque, credit, debit and cash dispenser cards.

Endorsements

Any variation or addition to the standard **policy** terms stated in **your policy schedule**.

Excess

The first part of any claim which **you** must pay. The **excess** applies separately to each individual **property** detailed in the **schedule**.

Period of insurance

The period of time the insurance is provided for under this **policy**, as set out in the **schedule**, and any other period the **policy** is renewed for.

Property

Private dwelling used for domestic purposes, domestic outbuilding and garages, at the address shown in the **schedule**.

Personal money

Cash, cheques, postal orders, unused postage stamps, savings stamps and certificates, premium bonds, luncheon and gift vouchers, season tickets, travel tickets, travellers' cheques and phone cards.

Schedule

This is part of the **policy**. It shows **your** details, details of the **property** insured, the **period of insurance**, and the sections of the **Policy** which apply and any applicable **endorsements**.

Unfurnished

"The home is not equipped with kitchen appliances, fixtures and fittings, curtains, carpets, beds and furniture essential for living

Unoccupied

The part or whole of the **property** not lived in by a person authorised by **you** for 45 consecutive days or more or as shown in **your Endorsements**.

Valuables

Jewellery, gold, silver, precious metals, clocks and watches, coin, medal and stamp collections, works of art and furs.

We, Our, Us

Under all Sections other than Section 5

This insurance is underwritten by Lloyd's Syndicates 4444 which is managed by Canopus Managing Agents Limited. Sompom Canopus is a brand name for Canopus Managing Agents Limited, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number 204847 Canopus Managing Agents Limited, Gallery 9, One Lime Street, London EC3M 7HA. Registered in England and Wales No.01514453.

Under Section 5 – Legal Expenses

Abbey Legal Protection a trading division of Abbey Protection Group Limited, who administer and manage this insurance on behalf of Markel International Insurance Company Limited, 20 Fenchurch Street, London EC3M 3AZ bound pursuant to a binding authority with the Abbey Legal Protection. Unique market reference B6027APG2016001 (or renewal or replacement thereof).

Markel International Insurance Company is liable only for the proportion of liability it has underwritten. Markel International Insurance Company is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is Markel International Insurance Company otherwise responsible for any liability of any other insurer that may underwrite this contract.

You, Your, Yours

The person (or people) named as the Policyholder in the **schedule**.

General conditions

The following conditions apply to the whole of this **policy**. Any additional conditions are shown in the section to which they apply or as stated on **your schedule**.

Your duties

- You** must take all reasonable steps to prevent loss, damage or an accident and maintain all **your buildings** and **your contents** in a good condition and repair.
You must take all reasonable measures to minimise the cost and effect of any claim under this **policy**.
- You** must take reasonable care to provide complete and accurate answers to the questions **we** ask when **you** take out, make changes to, and renew **your policy**. Please tell **your** insurance adviser to let **us** know if there are any changes to the information set out in **your schedule**. **You** must also tell **your** broker or insurance adviser
 - if **you** leave the **property unoccupied** and/or **unfurnished**
 - if the people to be insured change
 - if there is a change of address
 - if there is a change in type of tenant
 - if the Sums Insured are not adequate
 - at least 21 days before **you** undertake any structural work to extend, renovate, build or demolish any part of the **buildings**, or before **you** enter into any contract for the works.
- You** must keep the sums insured at a level which represents the full value of the **property**. Full value should represent the following.
 - for **buildings** - the full rebuilding cost including removal of debris and professional fees.
 - For **contents** - the current cost as new.
 - For **antiques and works of art, valuables, precious metals** - the current market value.

When **we** receive this notice, **we** may then amend the conditions of this **policy**. If **you** do not tell **us** about these changes, **we** may not have to pay any claim

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Index Linking

For **your** protection **we** will link the sums insured in Section One (**buildings**) and Section Two (**contents**) to the relevant indexes below.

Section One (**buildings**) The House Rebuilding Cost Index issued by the Royal Institute of Chartered Surveyors.

Section Two (**contents**) The Consumer Durables Section of the General Index of Retail Prices or a similar index **we** have chosen.

We will not charge **you** any extra premium for any monthly increase in sums insured. However, whenever **you** renew this insurance, **we** will work out the premium using the new sums insured. For **your** protection, if the index falls below zero, **we** will not reduce the sum insured.

If you wish to cancel this policy

If **you** find this **policy** does not meet **your** requirements, **you** may cancel this **policy** within the first 14 days of **you** buying this insurance or within 14 days of when **you** receive the **policy** documents whichever is later. **We** will provide a full refund of the premium paid if **you** have not made a claim on this **policy**. If **you** have made a claim **we** can decide not to refund any premium. If **you** wish to cancel after this period, **you** may cancel this **policy** by giving **your** broker or insurance advisor 30 days' notice in writing. Any return premium due to **you** will depend on how long this **policy** has been in force. **We** can decide not to refund any premium if **you** have made a claim on this **policy**.

If we wish to cancel this policy

We may cancel this contract of insurance by giving **you** 30 days' notice in writing. Any return premium due to **you** will depend on how long this **policy** has been in force

We will only cancel this **policy** or any part of it for a valid reason or if there are serious grounds to do so such as:

- Non payment of premium.
- Non-cooperation or failure to supply any information or documentation **we** request.
- The use of threatening or abusive behaviour or language.

- Failure to take reasonable care of the **buildings and contents** insured.

Any premium due to **you** will be calculated on a proportional daily rate basis depending on how long this **policy** has been in force. No return of premium will be given if a claim has occurred during the **period of insurance**.

In deciding to accept this insurance and in setting the terms and premium, **we** have relied on the information **You** have given **us**. **You** must take reasonable care to provide complete and accurate answers to the questions **we** ask **you**. If the information provided by **You** is not complete and accurate:

- **we** may cancel **Your policy** and refuse to pay any claim, or
- **we** may not pay any claim in full, or
- **we** may revise the premium and/or change any **excess**, or the extent of the cover may be affected

If **we** establish that **you** deliberately or recklessly provided **us** with incorrect information **we** will treat this **policy** as if it never existed and decline all claims.

If **we** establish that **you** were careless in providing **us** with the information **we** have relied upon in accepting this **policy** and setting its terms and premium **we** may:

- treat this **policy** as if it had never existed and refuse to pay all claims and return the premium paid. **We** will only do this if **we** provided **you** with insurance cover which **we** would not otherwise have offered;
- amend the terms of **your policy**. **We** may apply these amended terms as if they were already in place if a claim has been adversely impacted by **your** carelessness;
- charge **you** more for **your policy** or reduce the amount **we** pay on a claim in the proportion that the premium **you** have paid bears to the premium **we** would have charged **you**;
- cancel **your policy** in accordance with the cancellation condition. **We** or **your** broker or insurance advisor will write to you if **we**;
- intend to treat this **policy** as if it never existed;
- need to amend the terms of **your policy**; or
- require **you** to pay more for **your** insurance.

Complaints

We aim to provide a first class service. If **you** have any reason to complain about **your** insurance **policy**, or **us**, please refer to the complaints procedure below.

For all Sections other than Section 5

The first step is to contact:
Divisional Underwriter – UK Property
Sompo Canopus
Gallery 9,
One Lime Street,
London EC3M 7HA

When **you** do this, please quote **your** insurance document number as it will help **us** to deal with **your** complaint promptly.

In the event that **you** remain dissatisfied **you** can refer **your** complaint to the Complaints team at Lloyd's. Their address is:

Complaints
Lloyd's
One Lime Street
London
EC3M 7HA

Tel No: 020 7327 5693

Fax No: 020 7327 5225

E-mail: complaints@lloyds.com

Website: www.lloyds.com/complaints

Details of Lloyd's complaints procedures are set out in a leaflet "**your** Complaint – How **we** Can Help" available at <http://www.lloyds.com/complaints> and are also available from the above address.

For Section 5 – Legal Expenses

The first step is to contact:
The Customer Services Manager
Abbey Legal Protection
20 Fenchurch Street
London
EC3M 3AZ
Tel:0370 600 1480

Email: complaints@abbeylegal.com

We are authorised and regulated by the Financial Conduct Authority. Firm Number: 308829

For all Sections

If **you** remain dissatisfied after Lloyd's or Abbey Legal Protection has considered **your** complaint, **you** may have the right to refer **your** complaint to the Financial Ombudsman Service:

The Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

The Financial Ombudsman Service is an independent service in the UK for settling disputes between consumers and businesses providing financial services. **You** can find more information on the Financial Ombudsman Service at www.financial-ombudsman.org.uk.

This does not affect **your** right to take legal action if necessary.

Financial Services Compensation Scheme (FSCS)

As **we** are members of the Financial Services Compensation Scheme (FSCS), **you** may be entitled to compensation under the scheme if **we** are unable to meet **our** obligations under this contract. If **you** are entitled to compensation under the scheme, how much compensation **you** would receive would depend on the nature of this contract. **You** can get more information about the scheme from the Financial Services Compensation Scheme (10th Floor, Beaufort House, 15 St Botolph Street t, London, EC3A 7QU) and on their website at www.fscs.org.uk.

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Data Protection Notice

Any information provided to **us** by **you** or regarding **you** will be processed by **us** in compliance with the provisions of the Data Protection Act 1998 for the purpose of providing insurance and handling claims. This may necessitate providing such information to third parties.

Financial Sanctions Clause

We shall not provide any benefit under this **policy** to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Third Parties

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

Choice of Law

This **policy** is written in English and all communications about it will be in English. Unless **we** have agreed otherwise with **you**, this contract is governed by English law.

Several Liability Clause

The subscribing insurers' obligations under contracts of insurance 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.

General Exclusions

This **policy** does not cover any loss, damage, liability or injury directly or indirectly caused by or contributed to or arising from:

1. War Exclusion

We will not pay for any loss or damage or liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation or nationalisation or requisition or destruction of or damage to **property** by or under the order of any government or public or local authority.

2. Sonic booms

We will not pay for any loss or damage caused by pressure waves from aircraft and other airborne devices travelling at sonic or supersonic speeds.

3. Radioactive Contamination and Nuclear Assemblies Exclusion

- a) loss or destruction of or damage to any **property** whatsoever, or any loss or expenses whatsoever resulting or arising therefrom;
- b) any legal liability of whatsoever nature; directly or indirectly caused by or contributed to by 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.

4. Seizure or Confiscation

We will not pay for any loss or damage to any **property** caused during seizure of or confiscation or attempts at either of these by Customs or other authorities.

5. Electronic Data Exclusion Clause

We will not pay for:

- a. loss or damage to any **property** whatsoever, or any loss or expenses whatsoever; or
- b. any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from;
 - computer viruses, erasure or corruption of electronic data; or
 - the failure of any equipment to correctly recognise the time or date or change of time or date;.

For the purposes of this exclusion “computer virus” means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature.

6. Existing and Deliberate Damage

We will not pay for loss or damage

- a) Occurring before cover starts or arising from an event before cover starts
- b) Caused deliberately by **you** or any member of **your home**

7. Wear and Tear

We will not pay for damage caused by wear and tear or any other gradually operating cause.

8. Loss of Value

We will not pay for any reduction in value of the **property** insured following repair or replacement paid for under this contract of insurance.

9. Other Insurance

If **you** make a claim under this **policy** and **you** were covered for the same loss, damage, or liability by any other insurance, **we** will only pay **our** share of the claim.

10. Terrorism

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

11. Contractors

Any claims arising out of the activities of contractors.

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Section 1

Buildings - Please check **your schedule** to see if **you** are covered by this section.

What is covered under this section

This insurance covers the **buildings** for loss or damage directly caused by:

1. fire, lightning, explosion, smoke or earthquake
2. aircraft and other flying devices or items dropped from them
3.
 - i) storm
 - ii) flood
 - iii) weight of snow

We will not pay:

- (a) for loss or damage to domestic fixed fuel-tanks in the open, swimming pools, tennis courts, drives, patios and terraces, gates, fences and hedges
4.
 - i) escape of water from fixed water tanks, apparatus or pipes
 - ii) frost damage to fixed water tanks, apparatus, pipes or interior fixed domestic heating installations

We will not pay:

- (a) for loss or damage caused by **subsidence, heave** or **landslip** other than as covered under number 9 of section one
- (b) for loss or damage to domestic fixed fuel-oil tanks and swimming pools
- (c) for loss or damage while the **property** is **unoccupied**
- (d) damage to the installation itself
5. escape of oil from a fixed domestic oil-fired heating installation and smoke damage caused by a fault in any fixed domestic heating installation

We will not pay:

- (a) for loss or damage while the **property** is **unoccupied**
- (b) damage to the installation itself
- (c) for loss or damage caused by **subsidence, heave** or **landslip** other than as covered under number 9 of section one

6. theft or attempted theft

We will not pay:

- (a) for loss or damage while the **property** is **unoccupied**
- (b) for loss or damage while the property is lent, let or sublet unless the loss or damage follows a violent and forcible entry
- (c) for loss or damage caused by any tenant or person lawfully on the premises., exceeding GBP5,000

7. collision by any vehicle or animal

We will not pay:

for loss or damage caused by any tenant or person lawfully on the premises.

8. any person taking part in a riot, violent disorder, strike, labour disturbance, civil commotion or acting maliciously

We will not pay:

- (a) for loss or damage while the **property** is **unoccupied**
- (b) for loss or damage unless the loss or damage follows a violent and forcible entry
- (c) for loss or damage caused by any tenant or person lawfully on the premises. Unless shown as covered on **your policy schedule**

9. **subsidence** or **heave** of the site upon which the **buildings** stand or **landslip**.

We will not pay:

- (a) for loss or damage to domestic fixed fuel-oil tanks, swimming pools, tennis courts, drives, patios and terraces, walls, gates and fences unless the private dwelling is also damaged at the same time by the same event
- (b) for loss or damage to solid floors unless the walls of the private dwelling are damaged at the same time by the same event
- (c) for loss or damage caused by faulty or unsuitable materials or design or poor workmanship
- (d) for loss or damage which compensation has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law
- (e) for loss or damage caused by coastal or river bank erosion

- (f) for loss or damage whilst the **buildings** are undergoing any structural repairs, structural alterations, extensions or demolition
 - (g) for loss or damage caused by normal **settlement** and / or any general deterioration of the **building**
 - (h) loss or damage caused by the action of chemicals on, or the reaction of chemicals with, any materials which form part of the **buildings**
 - (i) the first GBP1,000 of every claim.
10. breakage or collapse of fixed radio and or collapse of fixed radio and televisionaerials, fixed satellite dishes and their fittings masts
- We will not pay:**
- (a) for loss or damage to the actual radio and television Aerials, satellite dishes, their fitting and Masts
11. falling trees, telegraph and other utility poles or lamp-posts
- We will not pay:**
- (a) for loss or damage caused by trees being cut down or cut back within the **property**
 - (b) for loss or damage to gates, fences and hedges

This section of the insurance also covers

A. the cost of repair or replacement following **accidental damage** to:

- fixed glass and double glazing
- (including the cost of replacing frames)
- solar panels
- sanitary ware
- ceramic hobs

all forming part of the **buildings**

We will not pay:

(a) for damage while the **buildings** are **unoccupied**

B. the cost of repairing **accidental damage** to:

- domestic oil pipes
- underground water-supply pipes
- underground sewers, drains and septic tanks
- underground gas pipes
- underground cables

for which **you** are legally liable

We will not pay

- (a) for damage caused by rust or corrosion;
- (b) for damage caused whilst clearing or attempting to clear a blockage;
- (c) for damage whilst the property is left empty or unoccupied
- (d) for damage due to a fault or limit of design, manufacture, construction or installation

C.

- loss of rent due to **you** which **you** are unable to recover OR
- additional costs of alternative accommodation, substantially the same as **your** existing accommodation, which **you** have to pay for

while the **buildings** cannot be lived in following loss or damage which is covered under section one

We will not pay

- (a) any amount over 20% of the sum insured for the **buildings** damaged or destroyed
- (b) any loss when the **Property** is untenanted - unless at the time of the incident giving rise to the damage, there was a signed tenancy agreement to confirm future occupation.

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- D. expenses **you** have to pay and which **we** have agreed in writing in advance for
- architects', surveyors', consulting engineers' and legal fees
 - the cost of removing debris and making safe the **buildings**
 - costs **you** have to pay in order to comply with any Government or local authority requirements

following loss or damage to the **buildings** which is covered under this section (section one)

We will not pay:

- (a) any expenses for preparing a claim under this or any other insurance or an estimate of loss or damage
- (b) any costs if Government or local authority requirements have been served on **you** before the loss or damage occurred

- E. increased domestic metered water and oil charges **you** have to pay following an escape of water or oil which gives rise to a claim accepted by **us** under number four (4) or five (5) of section one

We will not pay:

more than GBP25,000 any one claim. If **you** claim for such loss under sections one and two, **we** will not pay more than GBP25,000 in total

- F. anyone buying the **property** who will have the benefit of section one until the sale is completed or the insurance ends, whichever is sooner

We will not pay:

if the **buildings** are insured under any other insurance

- G. the cost of finding the source of an escape of water from any fixed water tanks, apparatus or pipes following loss or damage to the **buildings** which is covered under section one

We will not pay:

more than GBP25,000 any one claim.

- H. if **You** buy a new **Property**, **Your** existing **buildings** will be insured free of charge until the date of completion or for three months, whichever is the earlier. This extension will operate from the time **We** agree to insure the **buildings** of **Your** new **property**

- J. Damage to the **property** caused by forced access by the fire, police or ambulance service as a result of an emergency or to prevent damage to the **Property**

We will not pay:

more than GBP5,000 for any one incident

- K. increased metered water charges **you** have to pay following an accidental escape of water discharged from a metered water system providing service to the home and **we** will pay for loss of oil following a claim for escape of oil. The maximum amount **we** will pay is GBP25,000 in any one occurrence.

- L. the necessary costs incurred which **we** have agreed for repairing or replacing the gardens at the premises back to their original condition following loss or damage which is covered by an insured event or damage caused by the emergency services attending the premises up to a maximum of GBP25,000 in any one period of insurance.

- M. the costs the insured is responsible to pay for professional contractors to trade and remove wasp or bee nests at the premises up to a maximum of GBP500 for any one loss. **We** will not pay for the removal of nests that existed prior to commencement of this policy.

- N. the costs incurred in refilling fire extinguishment appliances, replacing used sprinkler heads and refilling sprinkler tanks in the event of damage to insured **property** caused by fire.

- O. the cost of water, gas, electricity or other metered supply charges incurred by the insured and for which the insured is legally responsible up to a maximum of GBP25,000 for any one loss due to unauthorised use by persons taking possession of or occupying any **buildings** without written consent of the insured, provided that

- a) the insured shall take all practicable steps to terminate such unauthorised use as it is discovered,
- b) General Condition 13 of the policy has been complied with by the insured,
- c) immediate notification of such possession is given to the insurer upon the Insured becoming aware of it.

Accidental damage to the Buildings

The following applies only if the **schedule** shows that **accidental damage** to the **buildings** is included.

This extension covers:

accidental damage to the buildings

We will not pay:

- (a) for damage or any proportion of damage which **we** specifically exclude elsewhere under section one
- (b) for the **buildings** moving, settling, shrinking, collapsing or cracking
- (c) for damage while the **property** is being altered, or extended
- (d) for damage to out **buildings** and garages which are not of **standard construction**
- (e) for damage while the **property** is lent, let or sublet
- (f) for the cost of general maintenance
- (g) for damage caused by infestation, corrosion, damp, wet or dry rot, mould or frost
- (h) for damage caused by chewing, tearing, scratching or fouling by animals, or damage caused by insects, vermin or infestation
- (i) for damage caused by faulty or unsuitable materials, or design or poor workmanship
- (j) for damage from mechanical or electrical faults or breakdown
- (k) for damage caused by dryness, dampness, extremes of temperature or exposure to light
- (l) for damage to swimming pools, tennis courts, drives, patios and terraces, walls, gates, fences and fuel tanks
- (m) for damage caused by or contributed to by or arising from any kind of pollution and/or contamination
- (p) for damage while the **buildings** are **unoccupied**
- (q) for damage or deterioration of any article caused by dyeing, cleaning, repair or renovation of the item, or whilst it is being worked upon

Conditions that apply to section one (**buildings**) only

Settling claims

How **we** deal with **your** claim

1. If **your** claim for loss or damage is covered under section one, **we** will pay the full cost of repair as long as:
 - the **buildings** were in a good state of repair immediately prior to the loss or damage; and
 - the sum insured is enough to pay for the full cost of rebuilding the **buildings** in their present form; and
 - the damage is repaired.If the **buildings** were not in a good state of repair prior to the loss **we** may deduct an amount from **your** claim to reflect the difference in the value of the **buildings** in a good state of repair and the value of the **buildings** in disrepair.
2. **We** will not pay the cost of replacing or repairing any undamaged parts of the **buildings** which form part of a pair, set, suite or part of a common design or function when the loss or damage is restricted to a clearly identifiable area or to a specific part.

Your sum insured

3. **We** will not reduce the sum insured under section one after **we** have paid a claim as long as **you** agree to carry out **our** recommendations to prevent further loss or damage.
4. If **you** are under-insured, which means the cost of rebuilding the **buildings** at the time of loss or damage is more than **your** sum insured for the **buildings**, then **we** will only pay a proportion of the claim. For example if **your** sum insured only covers one half of the cost of rebuilding the **buildings**, **we** will only pay one half of the cost of repair or replacement.

Limit of insurance

We will not pay more than the sum insured for each **property** shown in the **schedule**. **Contents** Please check **your schedule** to see if **you** are covered by this section.

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Section 2

Contents - Please check your schedule to see if you are covered by this section

What is covered under this section

This insurance covers the **contents** for loss or damage directly caused by:

1. fire, lightning, explosion, smoke or earthquake
2. aircraft or other flying devices or items dropped from them
3. i) storm
ii) flood
iii) weight of snow

We will not pay:
for **contents** outside the **property**

4. escape of water from fixed water tanks, apparatus or pipes

We will not pay:
for damage while the **buildings** are **unoccupied**

5. escape of oil from a domestic fixed oil-fired heating installation and smoke damage caused by a fault in any fixed domestic heating installation

We will not pay:
for damage while the **buildings** are **unoccupied**

6. theft or attempted theft

We will not pay:

- (a) for loss or damage unless the loss or damage is caused by a violent and forcible entry
 - (b) for damage while the **buildings** are **unoccupied**
 - (c) for loss or damage caused by any tenant or person lawfully on the premises., exceeding GBP5,000
7. collision by any vehicle or animal
 8. any person taking part in a riot, violent disorder, strike, labour disturbance, civil commotion or acting maliciously

We will not pay:

- (a) for loss or damage caused by any tenant or person lawfully on the premises. Unless shown as covered on **your policy schedule**.
- (b) for loss or damage unless the loss or damage follows a violent and forcible entry
- (c) for damage while the **buildings** are **unoccupied**

9. **subsidence** or **heave** of the site upon which the **buildings** stand or **landslip**

We will not pay:

- (a) for loss or damage to domestic fixed fuel-oil tanks, swimming pools, tennis courts, drives, patios and terraces, walls, gates and fences unless the private dwelling is also damaged at the same time by the same event
 - (b) for loss or damage to solid floors unless the walls of the private dwelling are damaged at the same time by the same event
 - (c) for loss or damage caused by faulty or unsuitable materials or design or poor workmanship
 - (d) for loss or damage which compensation has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law
 - (e) for loss or damage caused by coastal or river bank erosion
 - (f) for loss or damage whilst the **buildings** are undergoing any structural repairs, structural alterations, extensions or demolition
 - (g) for loss or damage caused by normal **settlement** and / or any general deterioration of the **building**
 - (h) loss or damage caused by the action of chemicals on, or the reaction of chemicals with, any materials which form part of the **buildings**
 - (i) the first GBP1,000 of every claim
10. falling trees, telegraph poles or lamp-posts
- We will not pay:**
for loss or damage caused by trees being cut down or cut back within the **property**

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This section of the insurance also covers

A. **accidental damage** to televisions, radios, gaming consoles, DVD players, **property** computers, and all other audio and video equipment all situated within the **property**

We will not pay:

- (a) for damage or deterioration caused in the process of cleaning, repair, renovation, or dismantling the item.
- (b) for the damage to removable data storage media, including tapes, records, cassettes, discs, memory cards and sticks, computer and console games or computer software
- (c) for mechanical or electrical faults or breakdown
- (d) over GBP2,500 for any single item
- (e) for damage while the **buildings** are **unoccupied**

B. accidental breakage of

- fixed glass and double glazing
- sanitary ware

forming part of the **buildings** which **you** are legally liable for as a tenant and do not have other insurance for

- mirrors
- glass tops and fixed glass in furniture
- glass/ceramic hobs

We will not pay:

- (a) for the cost of repairing, removing or replacing frames
- (b) for damage while the **buildings** are **unoccupied**

C. the **contents**, if these are not already insured, whilst they are temporarily out of the **property** against loss or damage directly caused by:

- (i) any of the events insured under numbers 1-10 in section two while the **contents** are:
 - in any occupied private dwelling
 - in any **buildings** where **you** are living or working
 - in any building for valuation, cleaning or repair
 - in any storage facility
 - in any bank or safe deposit

- (ii) fire, lightning, explosion,
- (iii) earthquake, theft or attempted theft while the **contents** are being moved to **your** new **property** or to or from any bank, safe deposit or storage facility

We will not pay

- (a) for **contents** outside the United Kingdom
- (b) for **personal money** or **credit cards**

D. up to twelve (12) months rent **you** have to pay as occupier if the **property** cannot be lived in following loss or damage which is covered under this section (section two) OR costs of using other accommodation, substantially the same as **your** existing accommodation, which **you** have to pay for if the **property** cannot be lived in following loss or damage which is covered under this section (section two)

We will not pay

- (a) any amount over 20% of the sum insured under section two for the **contents** of the **buildings** damage or destroyed.
- (b) for any loss when the **Property** is untenanted unless at the time of the incident giving rise to the damage, there was a signed tenancy agreement to confirm future occupation.

E. costs you have to pay for replacing locks to safes, alarms and outside doors in the property following theft or loss of your keys

We will not pay

any amount over GBP5,000 in any **period of insurance**

F. increased domestic metered water and domestic heating fuel charges you have to pay following an accidental loss of water or oil which gives rise to a claim accepted by **us** under number four (4) or five (5) of section two

We will not pay

- (a) more than GBP1,000 any one claim. If **you** claim for such loss under sections one and two, **we** will not pay more than GBP1,000 in total
- (b) for damage while the **buildings** are **unoccupied**

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G. **Contents** in the open whilst in the boundaries of the **property**

We will not pay

- (a) for the damage while the buildings are unoccupied
- (b) pedal cycles

H. The cost of repairing damage to **your property** following forcible entry by the emergency services as a result of an emergency or to prevent damage to the **property**

We will not pay

more than GBP5,000 any one claim

Accidental damage to contents

The following applies only if the **schedule** shows that **accidental damage to contents** is included.

This extension covers:

accidental damage to the **contents** within the **property**

We will not pay

- (a) for damage or any proportion of damage which **we** specifically exclude elsewhere under section two
- (b) for damage to **contents** within garages and out **buildings**
- (c) for damage while the **property** is **unoccupied**
- (d) for damage to **personal money, credit cards, documents or stamps**
- (e) any amount over GBP1,000 in total for porcelain, china, glass and other brittle articles
- (f) for damage or deterioration of any article caused by dyeing, cleaning, repair or renovation of the item, or whilst it is being worked upon
- (g) for damage caused by chewing, tearing, scratching or fouling by animals, or damage caused by insects, vermin or infestation
- (h) for damage caused by faulty design or unsuitable materials specification, workmanship or materials
- (j) for damage caused by dryness, dampness, wet or dry rot, mould or frost, or extremes of temperature and exposure to light
- (k) for any damage caused by or contributed to by or arising from any kind of pollution and/or contamination
- (l) any mechanical breakdown or malfunctioning of an article

Settling claims Conditions that apply to section two (**contents**) only

How **we** deal with **your** claim

1. If **you** claim for loss or damage to the **contents** **we** will at **our** option repair, replace or pay for any article covered under section two.

For total loss or destruction of any article **we** will pay **you** the cost of replacing the article as new, as long as:

- the new article is as close as possible to but not an improvement on the original article when it was new; and
 - **we** have authorised the cost of replacement.
2. **We** will not pay the cost of replacing or repairing any undamaged parts of the **contents** which form part of a pair, set or suite or part of a common design or function when the loss or damage is restricted to a clearly identifiable area or to a specific part.

Your amount insured

3. **We** will not reduce the amount insured under section two after **we** have paid a claim as long as **you** agree to carry out **our** recommendations to prevent further loss or damage.
4. If **you** are under-insured, which means the cost of replacing or repairing the **contents** at the time of the loss or damage is more than **your** amount insured for the **contents**, then **we** will only pay a proportion of the claim. For example if **your** amount insured only covers one half of the cost of replacing or repairing the **contents**, **we** will only pay one half of the cost of repair or replacement.

Limit of insurance

We will not pay any more than the amount insured for the **contents** of each **property** shown in the **schedule**.

Section 3

Accidents to Domestic Staff

This section applies only if the **schedule** shows it is included.

What is covered under this section

We will pay for **your** legal liability for amounts **you** become legally liable to pay, including costs and expenses which **we** have agreed in writing in advance, for bodily injury by accident happening during the **period of insurance** anywhere in the world to **your** domestic staff employed in connection with the **property** shown in the **schedule**

We will not pay

for **bodily injury** arising directly or indirectly

- from the use of any vehicle outside the **property**
- from any vehicle used for racing, pace making or speed testing
- from any communicable disease or condition
- in Canada or the United States of America after the total period of stay has exceeded thirty (30) days in the **period of insurance**
- from any animal other than cats, horses, or dogs which are not designated as dangerous under the Dangerous Dogs Act 1991, The Dangerous Dogs (Northern Ireland) Order 1991 or Dangerous Dogs Amendment 1997, the Control of Dogs (Scotland) Act 2010 or any amending legislation.

Limit of insurance

We will not pay more than **GBP10,000,000** for any one accident or series of accidents arising out of any one event, plus the costs and expenses which **we** have agreed in writing in advance.

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Section 4

Legal Liability to the Public

This section applies only if the **schedule** shows that either the **buildings** are insured under section one or the **contents** are insured under section two of this insurance.

Part A - this section applies in the following way:

- if the **buildings** only are insured, **your** legal liability as owner is covered under Part A(i) below only.
- if the **contents** only are insured, **your** legal liability as occupier is covered under Part A (i) and Part A (ii) below only is shown as included on **your schedule**
- if the **buildings** and **contents** are insured, **your** legal liability as owner or occupier is covered under Part A(i) and Part A(ii) below.

What is covered under this section

- (i) as owner or occupier up to the amounts insured stated in the **schedule** for any amounts **you** become legally liable to pay as damages for
- bodily injury
 - damage to **property**
- caused by an accident happening at the **property** during the **period of insurance**,

OR

- (ii) as a private individual for any amounts **you** become legally liable to pay as damages for
- bodily injury
 - damage to **property**
- caused by an accident happening anywhere in the world during the **period of insurance**

What is not covered under this section

- (a) for **bodily injury** to
- **you**
 - any other permanent member of the **property**
 - any person who at the time of sustaining such injury is employed by **you**
- (b) for bodily injury arising directly or indirectly from any communicable disease or condition
- (c) arising out of any criminal or violent act to another person or **property**

- (d) for damage to **property** owned by or in the charge or control of
- **you**
 - any other permanent member of the **property**
 - any person engaged in **your** service
- (e) in Canada or the United States of America after the total period of stay in either or both countries has exceeded thirty (30) days in the **period of insurance**
- (f) arising directly or indirectly out of any profession, occupation, business or employment of **yours??**
- (g) which is **your** legal liability by having entered into a contract and which would not otherwise be covered
- (h) arising out of **your** ownership, possession or use of:
- (i) any motorised or horse drawn vehicle other than:
- domestic gardening equipment used within the **property** and
 - domestic pedestrian controlled gardening equipment
- (ii) any power-operated lift other than stairlifts
- (iii) any aircraft or watercraft other than manually operated rowing boats, punts or canoes
- (iv) any animal other than cats, horses, or dogs which are not designated as dangerous under the Dangerous Dogs Act 1991, The Dangerous Dogs (Northern Ireland) Order 1991 or Dangerous Dogs Amendment 1997, the Control of Dogs (Scotland) Act 2010 or any amending legislation
- (j) in respect of any kind of pollution and/or contamination unless it is:
- caused by a sudden, identified, unexpected and unforeseen accident which happens in its entirety at a specific moment of time during the **period of insurance** at the **property** named in the **schedule**; and
 - reported to **us** not later than thirty (30) days from the end of the **period of insurance**;
- (k) arising out of **your** ownership, occupation, possession or use of any **land** or building that is not within the **property**

Part B

We will pay for

any amount **you** become legally liable to pay under Section 3 of the Defective **Property** Act 1972 or Article 5 of the Defective **Property** (Northern Ireland) Order 1975 in connection with any **property** previously owned and occupied by **you**

We will not pay

- for the cost of repairing any fault or alleged fault

Limit of insurance

We will not pay

- More than **GBP2,000,000**, in all, in respect of pollution and/or contamination:
- in respect of other liability covered under section four - more than **GBP2,000,000** in all for Part A and C, and **GBP100,000** for Part B for any one accident or series of accidents arising out of any one event, plus the costs and expenses which **we** have agreed in writing in advance.

Section 5 – Legal Expenses

This is a “claims made” insurance and only covers **claims** notified to **us** during the **period of insurance**.

We agree in consideration of the premium to indemnify the **insured** to the extent and in the manner provided within this **policy** in connection with activities within the scope and extent of the **business description** of the **insured**.

All Acts of Parliament referred to in this **policy** shall include any subsequent amendments, re-enactments or regulations and equivalent legislation enforceable within the **territorial limits**.

Terms that apply to this Section

Definitions

Wherever the following words or phrases appear in this section of the **policy**, they will be shown in bold and have the following meanings:

Any One Claim

All **claims** consequent upon the same original cause, event or circumstance. In respect of a **claim** under Section D Tax Protection, an **HMRC investigation** into a later year’s Self Assessment Return, where a previous year’s Self Assessment Return is still subject to an open enquiry, shall be deemed to be **any One Claim**.

Adjudication

The dispute resolution process introduced by the Housing Grants Construction and Regeneration Act 1996 whether required by contract or statute.

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Adjudication Expenses

Any professional fees expenses and other disbursements (including those associated with the appointment of an adjudicator) reasonably incurred by the **appointed representative** in preparing for and/or representing the Insured at an **adjudication** with the consent of **us** together with any costs incurred by the adjudicator and which the **Insured** is ordered to pay the adjudicator or which may be necessary to secure the release of the adjudicator's award in an **adjudication**. **adjudication expenses** do not include any costs the Insured agrees to pay or may be ordered to pay any other party to the **adjudication** – whether contractually or otherwise.

Appointed Representative

A solicitor, barrister or other appropriately qualified person appointed to act for the Insured in accordance with the terms of this **policy**.

Business Description

As specified in the **schedule**.

Claim

A claim under this **Policy** for **Legal Expenses**, **Professional Expenses** or **Adjudication Expenses**.

Construction Contract

A Construction Contract as defined by s.104 Housing Grants, construction and Regeneration Act 1996. (For the avoidance of doubt supply of a s.104 construction contract to a residential occupier will be deemed a construction contract for the purposes of this **policy**).

Contracting Party

A person, firm or company domiciled within the **territorial limits** with whom the **insured** has a direct contractual relationship.

Debt Collection Service

The debt collection service nominated by **us**.

Due Date

The date monies owed to the Insured first becomes due and payable.

Excess

The amount specified in the **schedule** the **insured** must pay in respect of **legal expenses** and/or **professional expenses** and/or **adjudication expenses** in respect of **any one claim** before **we** shall be liable to make any payment.

HMRC Investigation

tax investigations and **vat disputes**.

Increased Excess

The amount specified in the **schedule** the **insured** must pay in respect of **legal expenses** and/or **professional expenses** and/or **adjudication expenses** in respect of **any one claim** before **we** shall be liable to make any payment if the **insured** instructs an alternative **appointed representative** to the one chosen by **us**.

Tax Investigations

- a) **Business Self Assessment Full Enquiry**
The enquiry which takes place when an officer of HM Revenue & Customs ("HMRC") makes a request to examine all of the **insured's** business books and records and issues a formal notice under S9A or S12AC of the Taxes Management Act 1970 or under Paragraph 24(1) Schedule 18 Finance Act 1998.
- b) **Employer Compliance Dispute**
A dispute which takes place following an expression of dissatisfaction with the **insured's** PAYE and/or NIC affairs following an employer compliance visit by HMRC or following an expression of dissatisfaction with the **insured's** P11Ds or P9Ds.
- c) **Business Self Assessment Aspect Enquiry**
The enquiry which takes place when an officer of HMRC issues a formal notice under Paragraph 24(1) Schedule 18 Finance Act 1998 or S9A or S12AC of the Taxes Management Act 1970 in order to make an Aspect Enquiry into certain boxes on the **insured's** Self Assessment Return.
- d) **Schedule 36 Pre Dispute**
A written request by HMRC under Schedule 36 Finance Act 2008 to inspect business records, assets or premises.

Legal Expenses

- i. Any professional fees, expenses and other disbursements reasonably incurred by the **appointed representative** with the consent of **us**, but excluding **adjudication expenses**; and
- ii. Any costs incurred by other parties insofar as the **insured** is held liable in court or tribunal proceedings to pay such costs or becomes liable to pay such costs under a settlement made with another party with the consent of **us** but excluding any costs which the **insured** may be ordered to pay by a court of criminal jurisdiction and excluding any costs which the **insured** may be ordered to pay or agrees to pay in respect of an **adjudication**.

Minimum Sum in Dispute

The sum in dispute between the **insured** and the **contracting party** as specified in the **schedule** below which **we** shall not be liable to provide indemnity.

Professional Expenses

Any fees, expenses and other disbursements reasonably incurred by the **appointed representative** with the consent of **us** but excluding any tax or VAT, additional tax or VAT, interest or penalties demanded, assessed or required by the relevant authorities or other penalties imposed by a Court of criminal jurisdiction.

Territorial Limits

As specified in the **Schedule**.

VAT Disputes

A dispute which takes place following a VAT control visit where a written decision, assessment or statement of alleged arrears is received from HMRC into the **insured's** Value Added Tax Return; or following the receipt of a notice of VAT default surcharge, misdeclaration or late registration penalty.

We will only indemnify **you** for **claims** where the dispute, legal proceedings and hmrc investigation are or would be within the **territorial limits** and the **claim** is notified during the **period of insurance** and the dispute or legal proceedings are in connection with activities within the scope and extent of the **your business Description**.

Section A - Property Disputes

What is covered under this section

We agree to indemnify **you** against **legal expenses** incurred in any dispute or legal proceedings made by or brought against **you**:

- (a) over the physical possession of the **property** provided that all statutory and contractual notices have been correctly served by **you**;
 - (b) over the terms of a tenancy agreement between **you** and a **contracting party** relating to the use or maintenance of the **property** including dilapidations;
 - (c) other than with a tenant over the actual or alleged negligence, damage (including trespass) or nuisance to the **property**;
- provided **you** will suffer financial loss if **you** fail to pursue or defend the dispute or legal proceedings.

What is not covered under this section

We shall not be liable to indemnify you in respect of any **claim** arising out of or in connection with:

- (a) a review of tax, rent, service charge;
- (b) the payment or non-payment of rent unless rent or licence fee is being withheld due to a dispute which is covered under Section A
- (c) the payment or non-payment or service charge, mesne profits or tax;
- (d) a dispute relating to planning or building regulations or decisions or compulsory purchase orders or any actual, planned or proposed works by or under the order of any government or public or local authority;
- (e) any dispute arising from the negotiation, review or renewal of a tenancy agreement or the subsequent purchase of the **property** whether or not such purchase is completed;
- (f) any dispute where **you** have failed to maintain in full force and effect during the tenancy agreement buildings insurance covering the standard range of perils if **you** were contractually obligated to have such insurance in force;

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- (g) a dispute over subsidence or heave howsoever caused;
- (h) a contract dispute other than where the contract is a tenancy agreement with a **contracting party**.

Section B - Repair and Renovation Disputes **What is covered under this section**

We agree to indemnify **you** against **legal expenses** incurred in the pursuit or defence of any dispute or legal proceedings made by or brought against **you** in a contractual dispute with a **contracting party** over the repair or renovation, to **property** provided that:

- (a) the **legal expenses** indemnified shall be limited to 75% of the sum in dispute;
- (b) the amount in dispute exceeds the **minimum sum in dispute** and the contract value is less than GBP100,000;
- (c) the work is commenced after inception of the first continuous **period of insurance**

What is not covered under this section

We shall not be liable to indemnify **you** in respect of **claims** arising out of:

- (a) contracts that provide or arrange credit, insurance, securities or guarantees;
- (b) contracts where the liability or right of recovery of the Insured is incurred through their agent or by assignment;
- (c) contracts governed by or alleged to be governed by the Consumer Credit Act 1974;
- (d) contracts of employment;
- (e) a tenancy agreement or a licence to use **property**.

Section C - Health & Safety Prosecutions

What is covered under this section

We agree to indemnify **you** against **legal expenses** incurred in:

- (a) defending a prosecution against **you** brought under health and safety legislation in a court of criminal jurisdiction;
- (b) an appeal by **you** against the service of an improvement or prohibition notice under health and safety legislation; provided that the breach or alleged breach of health and safety legislation or the improvement or prohibition notice relate to the **property**.

Section D - Tax Protection

Section D1 - Tax Investigations

What is covered under this section

We agree to indemnify **you** against **professional expenses** incurred in respect of representation of **you** in a **tax investigation** including representation at a First-tier Tribunal, Upper Tribunal and at an appeal against a decision following such a Tribunal provided there is a reasonable prospect of reducing the liabilities alleged by HMRC.

Section D2 - VAT Disputes

We agree to indemnify **you** against **professional expenses** incurred in representation of you in a **VAT Dispute** in respect of:

- (a) the local review procedure in order to reach agreement with HMRC;
- (b) a First-tier Tribunal, Upper Tribunal or VAT Tribunal, including an appeal; provided there is a reasonable prospect of reducing the liabilities alleged by HMRC.

What is not covered under this section

We shall not be liable to indemnify **you** in respect of:

- (a) the defence of any criminal prosecution;
- (b) taxation proceedings which arise out of negligent misstatements or omissions made by or on behalf of **you** in respect of returns or accounts or where there has been a lack of reasonable care in the keeping of business books and records;
- (c) any **claim** where the Tax Return is submitted outside the statutory time limits and/or in a penalty position or where **you** have not notified chargeability to tax within the statutory time limits;
- (d) the cost of preparing and reconciling returns, accounts, records or any other statutory returns, and the cost of professional valuations to support them;
- (e) an enquiry under Public Notice 160 or Section 60 of the VAT Act 1994 or matters handled by HM Revenue & Customs Specialist Investigations, Civil Investigations of Fraud and Criminal Investigations Sections. Also Code of Practice 8 and 9 cases and/or the defence of any criminal prosecution;

- (f) an enquiry into the validity of a claim for Working Families Tax Credit or a dispute concerning the payment of the Working Families Tax Credit by an employer;
- (g) any dispute in connection with payment of the National Minimum Wage;
- (h) a dispute or enquiry in respect of IR35 legislation;
- (i) any **claim** made where a Return submitted at the final filing date contains provisional figures in respect of all of the trading income and expenditure items;
- (j) an investigation under a voluntary disclosure made to the HMRC in respect of omitted tax NIC or VAT liabilities which become due as a result of **your** deliberate act or following an HMRC amnesty where **you** made an incorrect return to HMRC;
- (k) HMRC Enquiry into a tax planning arrangement where HMRC has allocated a Disclosure of Tax Avoidance Scheme (DoTAS) Number for inclusion on the relevant self-assessment return or where a DoTAS Number would have been issued but for the failure to notify HMRC of the tax planning arrangement; or any matter relating to bespoke tax planning outside of the normal trade such as film partnerships or film schemes, or planning involving artificially created losses or loan arrangements.

Exclusions that apply to this Section

We shall not be liable to indemnify **you** in respect of:

1. the defence of **you** in civil legal proceedings arising from:
 - (a) injury or disease including psychiatric injury and stress;
 - (b) loss, destruction or damage of or to property;
 - (c) alleged breach of any professional duty;
 - (d) any tortious liability
2. any dispute, legal proceedings or **HMRC Investigation** made, brought or commenced outside the **territorial limits**;
3. **legal expenses or professional expenses or adjudication expenses** incurred without the prior written consent of **us** or in excess of **our** consent;
4. any **claim** relating to or arising from any cause, event or circumstance occurring prior to or existing at inception of this **policy** and which has or which **you** knew or ought reasonably to have known may give rise to a dispute, legal proceedings or **HMRC investigation** by or against **you**;
5. fines or other penalties imposed by a Court or tribunal;
6. any dispute, legal proceedings or **HMRC Investigation** in which **you** are, or but for the existence of this **policy** would be, entitled to indemnity under any insurance policy whether a legal expenses insurance or not or under a legal aid certificate or representation order;
7. any **claim** arising from **your** intentional wrongdoing; or an act or omission with negligent disregard as to its consequences;
8. any dispute or legal proceedings with Government or Local Authority departments concerning the imposition of statutory charges;
9. disputes or legal proceedings between **you** as specified in the **schedule** or any endorsement thereto, or with any parent company or subsidiary company or associated company or partner;
10. any dispute between **you** and **us**, the **appointed representative** or their insurance broker;

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11. any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off whether related to intellectual property or not;
12. any dispute or legal proceedings arising out of the ownership or existence of any intellectual property rights;
13. any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or malicious falsehood;
14. any **legal expenses** or **professional expenses** or **adjudication expenses** incurred in respect of or in connection with a judicial review;
15. appeals arising out of legal proceedings or **HMRC Investigations** to which **we** have not granted **our** consent;
16. any claim, legal liability or any loss or damage to property directly or indirectly caused by or contributed to by seepage, pollution or contamination of any kind;
17. any **legal expenses** or **professional expenses** or **adjudication expenses** which **you** should or would have had to incur irrespective of any dispute;

General Conditions that apply to this Section of the policy

1. Arbitration

Any dispute between **you** and **us** shall be referred to a single arbitrator who shall be either a solicitor or barrister agreed upon by both parties or failing agreement one who is nominated by the President of the appropriate Law Society or by the Bar Council or appropriate professional body within England & Wales. The apportionment of the costs of the arbitration shall be determined by the arbitrator.

2. Due Observance

You must act with due diligence and at all times act and comply with all the terms, conditions and provisos under this **policy**.

Claims conditions that apply to this Section of the policy

1. Notification of Claims

It is a condition precedent to the liability of **us** that **we** be notified in writing during the **period of insurance** immediately **you are** aware of any cause, event or circumstance which has given or may give rise to a **claim**, dispute, legal proceedings or **HMRC Investigation** involving the **insured**. where such notification has been given, **we** agrees to treat any subsequent **claim** in respect of the cause, event or circumstance notified as though the **claim** had been notified during the **period of insurance**. **We** will forward to **you** an insurance claim form that must be completed and returned immediately.

2. Coverholder's Consent

It is a condition precedent to the liability of **us** that their consent to incur **legal expenses** or **professional expenses** or **adjudication expenses** must firstly be obtained in writing. this consent will be given by **us** on behalf of **us** if **you** can satisfy **us** that:

a) it is reasonable to incur **legal expenses** or **professional expenses** or **adjudication expenses** having regard to the proportionality between the remedy claimed and the **legal expenses** or **professional expenses** or **adjudication expenses** to be incurred and;

b)

i. where **you** are pursuing there are reasonable prospects of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought;

or

ii. where **you** are defending the other party does not have reasonable prospects of proving **your** legal liability;

or

iii. in respect of a criminal prosecution and where **you** plead guilty there is a reasonable prospect of a significant mitigation of **your** sentence or fine.

If during the course of a **claim you** cease

to satisfy **us** in respect of a) or b) above, indemnity will be withdrawn in respect of **legal expenses** and **professional expenses**. the decision to grant consent or to withhold it will be taken on receipt of:

- a fully completed insurance claim form;
- the information and documentation **we** reasonably request;
- a legal opinion from the **appointed representative** as to a) and b) above;
- any advice **we** may deem it necessary to take.

With the agreement of **you**, **we** may provide assistance in settling disputes, the costs of which will be covered under this **policy** subject to the payment of the **excess** or **increased excess** within the **limits of insurer's liability**.

We at its discretion may require **you** to obtain an opinion from counsel at **your** expense as to the merits of the subject matter of the **claim** such opinion to have regard to the same issues that **we** have in assessing the merits of any legal action. if based upon such opinion **we** are satisfied in respect of a) and b) above the **legal expenses** or **professional expenses** or **adjudication expenses** in obtaining that opinion will be paid by **us** within the **limits of insurer's liability**.

In granting its consent **we** undertake to provide indemnity to **you** subject to the terms and conditions of this **policy** and its **schedule** but such consent does not imply that all **legal expenses** or **professional expenses** or **adjudication expenses** will be paid. in particular **legal expenses** or **professional expenses** or **adjudication expenses** for matters that go beyond the immediate scope of the **claim** shall be deemed by **us** to fall outside the indemnity provided by this **policy**.

We reserve the right to limit its consent by time and/or financial amount of **legal expenses** or **professional expenses** or **adjudication expenses** and/or stage of proceedings to allow for a review of their continued consent.

If after consent has been granted it is shown the **claim** has not been brought within the terms and conditions of this **policy** and its **schedule** our consent will be withdrawn and no indemnity shall be provided. **we** shall be entitled to recover any **legal expenses**, **professional expenses** or **adjudication expenses** previously paid.

If **you** elect to proceed with the pursuit or defence of a dispute or legal proceedings to which **our** consent has been refused through lack of reasonable prospects as required in b) i. and ii. above and if **you** are successful in such pursuit or defence, **we** will pay **legal expenses** or **professional expenses** or **adjudication expenses** incurred after such consent had been refused subject to the terms and conditions of this **policy**.

3. **instruction and choice of appointed representative and counsel**

we will choose an **appointed representative** to act on behalf of **you** in any **claim** under certain sections of cover as specified in the **schedule**.

In all other Sections of Cover where recourse is necessary to a lawyer and there are inquiries or legal proceedings, **you** are free to choose an **appointed representative** to act in the name of and on behalf of **you** in any enquiry or legal proceedings to which we have consented subject to the **increased excess**.

The name and address of the **appointed representative** **you** propose to instruct must be notified to **us** in writing. **we** will accept such nomination provided **we** are satisfied the proposed **appointed representative** will co-operate and enable **you** to comply with the terms and conditions of this **policy**

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and provided the proposed **appointed representative's** charging rates are fair and reasonable in regard to the particular legal proceedings.

In all other **claim** situations **we** will choose the **appointed representative** subject to the **excess**, unless there is a conflict of interest between **you** and **us** when **you** are free to choose an **appointed representative** to act in the name and on behalf of **you** in any **claim** to which **we** have consented.

A dispute arising from **your** choice may be referred to Arbitration in accordance with **Section 5 General Condition 1**.

You must not, without the written consent of **us**, enter into any agreement with the **appointed representative** as to the basis of calculation of **legal expenses** or **professional expenses** or **adjudication expenses**.

in selecting the **appointed representative** **you** shall have regard to its duty to minimise the cost of any **claim**.

In all cases the **appointed representative** shall be appointed in the name of and on behalf of **you**. if in the course of any **claim** the **appointed representative** wishes to instruct counsel or an expert, counsel's or the expert's name and an explanation of the necessity for such instruction must be submitted to **us** for consent to the proposed instruction which will not be unreasonably withheld.

4. Disclosure

It is a condition precedent to our liability that:

a) **you** must give the **appointed representative** and **us** all necessary help and information including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in **your** possession. **you** must provide, obtain or execute all documents as necessary and attend meetings or conferences as

requested.

b) **you** must instruct the **appointed representative** to provide **us** any information, documents or advice in connection with any **claim** and the subject matter of any **claim** even if privileged. in addition **you** must instruct the **appointed representative** to provide **us** with regular updates on the progress of the subject matter of any **claim** and inform **us** immediately if and when any circumstance adversely impacts the factors taken into account in granting **our** consent.

Indemnity may be withdrawn if **you** fail to co-operate at all or within a reasonable time with **our** or the **appointed representative's** requests or if **you** or the **appointed representative** fails to provide **us** with any information in connection with any **claim** or the subject matter of any **claim**.

5. Payment of Legal Expenses, Professional Expenses and Adjudication Expenses

All bills for **legal expenses** or **professional expenses** or **adjudication expenses** which **you** receive from the **appointed representative** should be forwarded to **us** without delay. if **we** so require, **you** must ask the **appointed representative** to submit the bill of costs for assessment or certification by the appropriate law society, court or tribunal. **you** are responsible for payment of all **legal expenses** or **professional expenses** or **adjudication expenses**. **we** may settle these directly if requested by **you** to do so. the payment of some **legal expenses** or **professional expenses** or **adjudication expenses** does not imply that all **legal expenses** or **professional expenses** or **adjudication expenses** will be paid.

6. Offer of Settlement

It is a condition precedent to the liability of **us** that **you** must inform **us** in writing as soon as an offer to settle the subject matter of the **claim** is received and/or **you** propose to make an offer of settlement. In any settlement, **you** must have regard to **legal expenses, professional expenses, adjudication expenses** incurred or likely to be incurred and the recovery thereof.

No indemnity will be provided if **you** enter into any agreement to settle without the prior written consent of **us** (such consent not to be unreasonably withheld) and **we** shall be entitled to recover any **legal expenses** or **professional expenses** or **adjudication expenses** previously paid, if you unreasonably reject an offer of settlement which **we** recommend acceptance of or makes an offer which **we** do not agree with no further indemnity shall be provided.

We may at **our** absolute discretion decide to pay **you** the amount of damages that **you** are claiming or is being claimed against **you** instead of indemnifying **you** for **legal expenses, professional expenses** or **adjudication expenses**. where **we** exercise this discretion **we** will cease to be liable for any further **legal expenses, professional expenses, adjudication expenses**.

7. Recovery of Costs

Whenever **you** are awarded costs or under the terms of any settlement where costs are included, those costs are to be repaid to **us**. whenever **you** receive damages compensation or monies of any kind in an **adjudication** or subsequent litigation these shall be first used to pay the **adjudication expenses** or repay **us** any **adjudication expenses** already paid.

You and **your appointed representative** must make every effort to make a full recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered, **you** agree that a fair and reasonable proportion of that settlement will be deemed costs and due to **us**. Where such a settlement is paid in instalments all costs to **us** shall be paid first.

8. Appeal Procedure

If, following legal proceedings to which **we** have consented, **you** wish to appeal against the judgment or decision of a court or tribunal, the grounds for such appeal must be submitted to **us** through the **appointed representative** immediately or as soon as practicable so that **we** may consider whether to consent to such further action. if an appeal is lodged against a judgment or decision of a court or tribunal made in favour of **you** following legal proceedings to which **we** have consented, **you** must notify **us** immediately in order that cover may continue. **we** will inform the **appointed representative** of its decision. if **we** so require it, **you** must co-operate in an appeal against the judgment or decision of a Court or tribunal.

9. Fraudulent Claims

If **you** make any request for payment under this **policy** knowing it to be fraudulent or false in any respect or ought reasonably in the circumstances to know it to be fraudulent or false or where there is collusion between any parties to the dispute, this **policy** shall become void and any premiums paid shall be forfeited and **we** shall be entitled to recover any **Legal Expenses, Professional Expenses** and **Adjudication Expenses** under previously paid.

10. Insolvency or Liquidation of the Insure

If **you** become insolvent or is placed in liquidation, receivership, administration or bankruptcy or enters into a voluntary arrangement or deed of arrangement or if any application is made to the Court or meeting convened for any such purpose **we** have the right to immediately cease to provide indemnity for **legal expenses, adjudication expenses, professional expenses** notwithstanding any previous consent **we** may have granted.

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11. Value Added Tax

If **you** are registered for VAT, **we** will not indemnify the VAT element of any **legal expenses** or **professional expenses** or **adjudication expenses**.

Limit of insurance

Limits of Our Liability

The maximum liability of **us** under this **Policy** is limited to the amounts specified in the **Schedule** for 1 and 2 below:

1. GBP 50,000 **Any One Claim**
2. GBP1,000,000 All **Claims** notified during the **Period of Insurance**.

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