



Policy wording

Commercial and Residential Landlords Insurance

April 2021

Contents

Welcome to AXA	3
Your policy	3
Important phone numbers	4
Meanings of defined terms	6
Policy conditions	7

Sections of cover	
Buildings section	12
Rental income section	30
Property owners liability section	36
Employers' liability section	45
Terrorism insurance section	50
Landlord's contents section	56
Legal expenses section	65

Making a complaint	75
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Welcome to AXA

Thank you for choosing AXA

Please read carefully all documents that **we** have provided and keep them in a safe place.

If **you** have any questions, need anything explaining or believe this contract does not meet **your** needs, please contact **us** or **your** insurance adviser.

Your policy

Your policy is a contract of insurance between **you** and **us** and **you** have a duty to make a fair presentation of the risk to **us** in accordance with the law.

The **policy** describes the insurance cover for which **we** have accepted **your** premium.

This insurance is renewable provided that **we** agree to accept **your** premium for any subsequent **period of insurance**. A new schedule will be issued for each **period of insurance** showing any changes to **your** cover.

Your policy is divided into a number of sections. The **policy** wording, schedule and any endorsement must be read together. Where a section does not apply, **your** schedule will state that it is 'not covered'.

Throughout this **policy**, **we** use defined terms. Defined terms are used to explain what a word means and are highlighted in bold blue print. Details of the Policy definitions can be found on page 6.

Headings have been used for **your** guidance and to help **you** understand the cover provided. The headings do not form part of the contract.

To help **you** understand the cover provided **we** have added 'What is covered' and 'What is not covered'.

Under the heading 'What is covered' **we** give information on the insurance provided. This must be read with 'What is not covered', the Policy conditions and the Section conditions at all times.

Under the heading 'What is not covered' **we** draw **your** attention to what is excluded from **your policy**.

Important phone numbers



Glass replacement service*

0300 303 2944

A quick and efficient service available 365 days a year.



Legal and tax advice**

0333 005 0355

Our confidential legal and tax advice line.
Please quote AXA Commercial when **you** call.



Emergency helpline***

0333 005 0355

Our 24 hour emergency helpline. Please quote AXA Commercial when **you** call. **We** will provide details of reputable contractors who will be able to help if connected to a potential claim.

Calling the helpline does not constitute notification of an insurance claim; **you** will have to pay for any call out charges, parts and cost of labour.

* The Glass replacement service is provided by an AXA approved glazing and locks provider.

** The telephone legal and tax advice is provided on behalf of Arc Legal Assistance Ltd by Shoosmiths Solicitors and can advise on general UK law and taxation.

** Tax telephone advice provided by Shoosmiths Solicitors may involve the use of external accountants to provide tax telephone advice.

** Arc Legal Assistance Ltd make no additional charge for providing these services.

*** The emergency assistance helpline is provided on behalf of Arc Legal Assistance Ltd by AXA Assistance UK. Arc Legal Assistance Ltd make no additional charge for providing these services.

Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority. Their Firm Reference Number is 305958.

Shoosmiths LLP is a limited liability partnership registered in England and Wales, with number OC374987, and is authorised and regulated by the Solicitors Regulation Authority.

Telephone calls may be monitored and recorded.

Making a claim

If **you** need to make a claim please first check **your policy** to make sure **you** are covered. **You** must then follow the instructions provided on pages 8-9 under the Claims notification condition and Claims procedures condition under Policy conditions.

For Legal expenses claims, please see the Claims notification condition and the Claims procedures condition on page 72.

Please contact **your** insurance adviser who will help **us** deal with **your** claim quickly and fairly.

Making a complaint

If **you** are not happy with the way in which a claim or any other matter has been dealt with, please read 'Making a complaint' on page 75 of the **policy**.

Meanings of defined terms

These meanings apply throughout **your policy**. If a word or phrase has a defined meaning, it will be highlighted in bold blue print and will have the same meaning wherever it is used. There are additional defined terms under each section.

Business

The business described in **your** schedule including

- 1 the management and upkeep of **your property** and land at the same address
- 2 providing and managing facilities primarily used for fire prevention, safety or security at **your property**
- 3 private work completed with **your** prior consent by an **employed person** for **your** directors, partners or officers
- 4 the sale or disposal of business assets.

Employed person(s)

Anyone:

- 1 under a contract of service or apprenticeship with **you**
- 2 who is
 - a employed by **you** or for **you** on a labour only basis
 - b self employed
 - c hired to **you** or borrowed by **you** from another employer
 - d a voluntary helper or taking part in a work experience or training schemeand under **your** control or supervision.

Excess

The first amount of any claim or claims for which **you** are responsible.

Period of insurance

The period from the start date to the expiry date shown in **your** schedule.

Policy

The policy and schedule and any endorsements attached or issued.

Policy territories

Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

Property

The **building(s)** at the address(es) shown in **your** schedule.

We/us/our/ourselves

AXA Insurance UK plc.

You/your/yourself

The person(s), firm, company or organisation shown in your schedule as the insured.

Policy conditions

You must comply with the following conditions to have the full protection of **your policy**. If **you** do not comply then **we** may at **our** option take one or more of the following actions

- 1 Cancel **your policy**.
- 2 Declare **your policy** void (treating **your policy** as if it had never existed).
- 3 Change the terms of **your policy**.
- 4 Refuse to deal with all or part of any claim or reduce the amount of any claim payments.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

There are additional conditions under each section of cover.

Where **your policy** contains conditions that specify circumstances where non-compliance will mean that **you** will not receive payment for a claim **you** will be covered, and **we** will pay **your** claim, if **you** are able to prove that the non-compliance with the condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed.

This condition does not apply to the Property owners liability section or the Employers' liability section.

Alternatively, depending on the size of **your business**, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case this will not affect **your** right to take action against **us** over this disagreement.

Cancellation condition

- 1 **You** may cancel **your policy** within 14 days of receiving **your policy** for the first **period of insurance** if for any reason **you** are dissatisfied or the **policy** does not meet **your** requirements.
- 2 **We** can cancel **your policy** at any time during the **period of insurance** by giving 14 days written notice to **your** last known address.

Where **your policy** is cancelled in accordance with either of the above provisions, **we** will refund part of the premium paid, proportionate to the unexpired **period of insurance** following cancellation.

- 3 **You** may also cancel **your policy** at any other time during the **period of insurance**. **We** will refund part of the premium paid, proportionate to the unexpired **period of insurance** less a short period premium surcharge of £50.
- 4 **We** can cancel **your policy** immediately, without giving **you** notice, if the premium has not been paid. If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance**, the annual premium remains due in full.

Policy conditions *continued*

We will only refund premium provided that no claim has been paid or is outstanding in the current **period of insurance**.

Cancellation of this **policy** will not affect any claims or rights **you** or **we** may have before the date of cancellation.

We do not have to offer renewal of **your policy** and cover will cease on the expiry date.

Change in risk condition

You must tell **us** as soon as possible during the **period of insurance** of any change

- 1 to the **business**
- 2 in the person, firm, company or organisation shown in **your** schedule as the Insured
- 3 to the information **you** provided to **us** previously or any new information that increases the risk of loss as insured under any section of **your policy**.

Your policy will come to an end from the date of the change unless **we** agree in writing to accept an alteration.

We do not have to accept any request to vary **your policy**. If **you** wish to make any alteration to **your policy** **you** must disclose any change to the information **you** previously provided or any new information that could affect this insurance. If **we** accept any variation to **your policy**, an increase in the premium or different terms or conditions of cover may be required by **us**.

Claims notification condition

You must

- 1 as soon as practical
 - a give **us** notice of any circumstances which might lead to a claim under this **policy**
 - b give **us** all the information **we** request
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b tell **us** about any prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential claim under this **policy**
 - c notify the police of any loss or damage that has been caused by malicious persons, thieves, rioters, strikers or vandals.

We will not pay **your** claim where **you** have not complied with this condition.

Claims procedures condition

- 1 **You** must take, or allow others to take, practical steps to prevent further loss or damage, recover **property** lost and otherwise minimise the claim.
- 2 At **your** expense **you** must provide **us** with
 - a full details in writing of any injury, loss or damage and any further information or declaration **we** may reasonably require

Policy conditions *continued*

- b** any assistance to enable **us** to settle or defend a claim
 - c** details of any other relevant insurances.
- 3** **You** must not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.
- 4** Following a claim **you** must allow **us** or anyone authorised by **us**
 - a** access to premises
 - b** to take possession of, or request delivery to **us** of any property insured.
- 5** **You** must not abandon any property to **us**.
- 6** **We** will be allowed complete control of any proceedings and settlement of the claim.

We will not pay **your** claim where **you** have not complied with this condition.

Fair presentation of risk condition

You have a duty to make a fair presentation of the risk which **you** wish to insure. This applies prior to the start of **your policy**, if any variation is required during the **period of insurance** and prior to each renewal. If **you** do not comply with this condition then

- 1** if the failure to make a fair presentation of the risk is deliberate or reckless **we** can elect to make **your policy** void and keep the premium. This means treating the **policy** as if it had not existed and that **we** will not return **your** premium or
- 2** if the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would not have provided cover had **you** made a fair presentation, then **we** can elect to make **your policy** void and return **your** premium or
- 3** if the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would have issued cover on different terms had **you** made a fair presentation of the risk then **we** can:
 - a** reduce proportionately any amount paid or payable in respect of a claim under **your policy** using the following formula. **We** will divide the premium actually charged by the premium which **we** would have charged had **you** made a fair presentation and calculate this as a percentage. The same percentage figure will be applied to the full amount of the claim to arrive at the proportion of the claim to be paid or payable; and/or
 - b** treat **your policy** as if it had included the different terms (other than payment of the premium) that **we** would have imposed had **you** made a fair presentation.
- 4** Where **we** elect to apply one of the above then
 - a** if **we** elect to make **your policy** void, this will be from the start of the **policy**, or the date of variation or from the date of renewal
 - b** **we** will apply the formula calculated by reference to the premium that would have been

Policy conditions *continued*

charged to claims from the start of the **policy**, or the date of variation or from the date of renewal

- c **we** will treat the **policy** as having different terms imposed from the start of the **policy**, or the date of variation or from the date of renewal

depending on when the failure to make a fair presentation occurs.

Fraud condition

You and anyone acting for **you** must not act in a fraudulent way.

If **you** or anyone acting for **you**

- 1 knowingly makes a fraudulent or exaggerated claim under **your policy**
- 2 knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine) or
- 3 knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine),

we will:

- a refuse to pay the claim
- b declare the **policy** void from the date of the fraudulent act without any refund of premiums.

We may also inform the police of the circumstances.

Instalments condition

If **you** fail to pay a premium instalment to **us** on the date due **we** may charge an administration fee for instalments rejected by **your** bank. **We** have the right

to cancel **your policy** for non-payment and apply a short premium payment surcharge of £50.

If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance** the annual premium remains due in full. If no claim has been made and insufficient payments have been made to cover the period for which insurance has been provided, payment for the unpaid portion of premium will remain due.

Law applicable to this policy

You and **we** can choose the law which applies to this **policy**. **We** propose that the Law of England and Wales apply. Unless **we** and **you** agree otherwise, the Law of England and Wales will apply to this **policy**.

Reasonable care condition

You must take reasonable steps to

- 1 prevent or protect against injury, loss or damage
- 2 keep **your** premises, machinery, plant and equipment in good condition and in full working order
- 3 remedy any defect or any danger that becomes apparent, as soon as possible.

If required by **us**, **you** must allow access to **your** premises and/or activities of **your business** to carry out inspection or survey. **You** must comply with any risk improvements that **we** ask for, within a reasonable period of time, advised by **us**.

We will not pay **your** claim where **you** have not complied with this condition.

Sanctions condition

This contract of insurance is subject to sanction, prohibition or restriction under United Nations resolutions. It is a condition of **your policy** that **we** will not provide cover, or pay any claim or provide any benefit under **your policy** to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **us**, or **our** parent, subsidiary or any AXA Group member company, to any trade or economic sanctions, or violate any laws or regulations of the United Kingdom, the European Union, the United States of America or any other territory.

Subrogation (our rights) condition

We will be entitled to undertake in **your** name or on **your** behalf

- 1 the defence or settlement of any claim
- 2 steps to enforce rights against any other party before or after payment is made by **us**.

Third party rights condition

The rights under this contract will not be enforceable by any party other than **you** or **us** because of the Contract (Rights of Third Parties) Act 1999.

Buildings section

Contents of this section

Meanings of defined terms	12
What is covered	14
Optional cover	15
Limit of cover	17
Extensions of cover	17
What is not covered	25
Section conditions	28

Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 6. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Building(s)

The buildings at the **property** shown in **your** schedule including:

- 1 landlords fixtures and fittings
- 2 outbuildings, annexes, private garages, gangways, foundations or footings, swimming pools, tennis courts, squash courts
- 3 walls, gates, fences and hedges
- 4 yards, car parks, roads, pavements, paved terraces, patios, paths, drives
- 5 underground pipes and cables belonging to **you** or which **you** are responsible for
- 6 tenants improvements which **you** are responsible for
- 7 fixed glass in windows, doors, fanlights, skylights, partitions and fixed sanitaryware.

Computer systems

Computer or other equipment or component or system or item which processes, stores, transmits or receives **data**.

Consequential loss

Loss, resulting from interruption of or interference with the **business** as a result of **damage** to property used by **you**, at the **property**, for the purpose of the **business**.

Damage/damaged

Accidental loss or destruction or damage.

Data

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

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

Empty

Wholly unoccupied, mainly unoccupied or not in use by **you** or any of **your** tenants for more than 45 consecutive days.

Flood

The escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam. Inundation from the sea. Rain induced run off. Whether resulting from storm or not.

Hacking

Unauthorised access to any **computer systems**, whether **your** property or not.

Phishing

Any access or attempted access to **data** made by means of misrepresentation or deception.

Terrorism

For England, Scotland and Wales:
Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's Government in the United Kingdom or any other government de jure or de facto.

For Northern Ireland: 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 whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purposes

Buildings section *continued*

including the intention to influence any government and/or put the public or any section of the public in fear.

For the Channel Islands and the Isle of Man: 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.

Vermin

Rats, mice, grey squirrels, owls, pigeons, foxes, bees, wasps, or hornets.

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

✓ What is covered

If any **property** is **damaged** by any of the following causes, **we** will pay **you** for the value of the **property** at the time it is **damaged** or the amount of the **damage**, or at **our** option reinstate or replace the **property** or any part of it.

Causes

- 1 Fire, lightning or earthquake excluding the **excess** detailed in **your** schedule.
- 2 Explosion excluding
 - a damage caused by or consisting of the bursting by steam pressure of a boiler, economiser or other vessel, machine or apparatus where internal pressure is due to steam only, that belongs to **you** or is under **your** control, unless it is used for domestic purposes only.
 - b the **excess** detailed in **your** schedule
- 3 Riot, civil commotion, strikers, locked-out workers, labour or political disturbances, vandals or malicious persons excluding
 - a damage caused by confiscation, destruction or requisition by order of the Government or any Public Authority
 - b damage arising from stoppage of work
 - c damage caused by **your** employees, tenants or any other person lawfully on **your property** other than the cover for **damage** provided by the Malicious damage and theft by tenants cover
 - d damage to any portion of the **building** which is **empty**
 - e damage caused by theft or attempted theft
 - f the **excess** detailed in **your** schedule.

Buildings section *continued*

- 4 Storm or **flood** but excluding
 - a damage due to a change in the water table level
 - b damage resulting from frost, subsidence, ground heave or landslip
 - c damage to moveable property in the open, walls, fences, posts, hedges and gates
 - d the **excess** detailed in **your** schedule.
- 5 Escape of water from any tank, apparatus, pipe, or sprinkler installation excluding
 - a damage to property caused by frost other than internal plumbing installations not in any outbuildings
 - b damage to any **building** which is **empty**
 - c the **excess** detailed in **your** schedule.
- 6 Impact by any aircraft or other aerial devices, vehicle or any article falling from them or by animals excluding the **excess** detailed in **your** schedule.
- 7 Leakage of fuel oil, used solely for domestic purposes, used in connection with the **building(s)** excluding
 - a damage to any portion of the **building** which is **empty**
 - b the **excess** detailed in **your** schedule.
- 8 Theft or attempted theft but excluding
 - a damage to any **building** which is **empty**

- b damage caused by **your** employees, tenants or any other person lawfully on **your property** other than the cover for **damage** provided by the Malicious damage and theft by tenants cover
- c the **excess** detailed in **your** schedule.

Optional cover

9 Accidental **damage**

Your schedule will show if **you** have this cover.

The Buildings section is extended to include the following cause

Any other **damage** excluding

- 1 damage which is excluded under causes **1** to **8** or under 'What is not covered' of the Buildings section
- 2 damage caused by or resulting from:
 - a wear and tear, the action of light or atmosphere, moths, **vermin** or insects
 - b any process of cleaning, dyeing, restoring, adjusting, repairing, cutting, preparation or fitting
 - c corrosion, rust, dampness, dryness, wet or dry rot, shrinkage, marring, or scratching
 - d wind, rain, hail, sleet, snow, dust or theft to boundary walls, gates, fences or moveable property in the open
 - e subsidence, ground heave or landslip of any part of the site on which the **property** stands
 - f the normal settlement or bedding down of new structures

Buildings section *continued*

g chewing, scratching, tearing or fouling by domestic pets

- 3** damage to **property** caused by or consisting of
 - a** inherent fault or defect, undiscovered defect, gradual deterioration, frost, change in water table level, faulty or defective design or materials
 - b** faulty or defective workmanship, operational error or omission by **you** or any of **your** employees

but **we** will cover subsequent **damage** which results from a cause not excluded elsewhere in the **policy**

- 4** the collapse or cracking of **building(s)**
- 5** the cost of normal maintenance, redecoration or repair
- 6** damage caused by or consisting of
 - a** mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment where the breakdown or derangement originates
 - b** joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super heaters, pressure vessels or any range of steam and feed piping in connection with them.

But **we** will pay **you** for subsequent **damage** which results from a cause not excluded elsewhere in the **policy**.

- 7** the **excess** detailed in **your** schedule.

Optional cover

- 10** Subsidence, ground heave and landslip cover.

Your schedule will show if **you** have this cover.

Subject to the following special condition **we** will pay **you** for **damage** caused by subsidence or ground heave of any part of the site on which the **property** stands or landslip excluding

- 1** the **excess** detailed in **your** schedule
- 2** damage to yards, outdoor swimming pools, tennis courts, paved terraces, patios, drives, car parks, roads, pavements, walls, gates and fences unless the building structure is also **damaged** at the same time by the same cause
- 3** damage caused by or consisting of
 - a** the normal settlement or bedding down of new structures
 - b** the settlement or movement of made-up ground
 - c** coastal or river erosion
 - d** defective design or workmanship or use of defective materials
 - e** fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- 4** damage which originated prior to the start of this cover
- 5** damage to solid floor slabs or damage resulting from their movement, unless the foundations beneath the outside walls of the main building of the **property** are **damaged** at the same time by the same cause
- 6** damage resulting from demolition, construction, structural alteration or repair of any **property** or groundwork or excavation at the **property**.

Special condition applicable to subsidence, ground heave and landslip cover

You must tell **us** as soon as possible if **you** become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site to the **property**. **We** will then have the right to vary the terms or cancel this cover.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Limit of cover

The most **we** will pay for any **property** covered by this section is the sum insured shown in **your** schedule for each item plus index linking.

Extensions of cover

Additional metered oil and metered water cover

We will pay **you** for the additional metered oil and metered water charges incurred by **you** as a result of **damage** provided that

- 1 repairs are completed within 30 days of the **damage** being discovered
- 2 **we** will not cover for the charges incurred for any **property** that is **empty**.

The most **we** will pay under this cover during any one **period of insurance** is £10,000.

The amount **we** pay will be based on the amount of the oil charges or water charges for the period when the **damage** occurs, less the charge paid

by **you** for the corresponding period in the preceding year. This will then be adjusted for changes in the suppliers' charges and for variations affecting **your** oil or water consumption during the intervening period.

Alternative residential accommodation cover

We will pay **you** for costs of reasonable alternative accommodation for **your** tenants and temporary storage of **your** tenants furniture while the residential portion of the **property** cannot be lived in or access is denied as a result of **damage**. This cover will only apply where **we** have made a payment or accepted liability under the Buildings section of this **policy**.

The most **we** will pay under this cover is 20% of the sum insured on the **building** that has been **damaged** for a maximum period of 24 months from the date of **damage**.

Provided that this cover is not insured elsewhere.

Architects, surveyors, legal and consulting engineers fees cover

We will pay **you** for architects, surveyors, legal and consulting engineers fees necessarily incurred with **our** written consent in the reinstatement or repair of the **property** as a result of its **damage**, but not for preparing any claim.

Cables and underground pipes cover

We will pay **you** for the costs incurred following **damage** (which **you** are responsible for) to fuel or oil pipes, cables (including overhead electricity

Buildings section *continued*

and telephone cables), septic tanks and associated pipes, underground pipes and drains (including inspection covers) on the **property** or connecting the **property** to the public mains.

The most **we** will pay for any one claim under this cover is £5,000.

Capital additions cover

We will pay **you** for

- 1 any newly acquired or newly erected property or property under construction (excluding any property which a building contractor is responsible for) which is not insured elsewhere

and

- 2 alterations, additions and improvements to **property** but not for any appreciation in value anywhere within the **policy territories**.

Provided that

- a **you** give **us** details of the additions as soon as possible and **you** will ensure specific insurance is arranged with **us** from the date **you** became responsible
- b the provisions of this cover will be fully maintained in addition to any specific insurance effected under **a** above.

The most **we** will pay under this cover for any one location is 10% of the total sum insured under this section or £500,000 whichever is lower.

Day one average cover

Subject to the following special conditions, the amount payable for **property** under sums shown as the 'declared value' in **your policy** schedule will be calculated as reinstatement of the **damaged property**.

For this purpose, reinstatement means

- 1 the rebuilding or replacement of **damaged property**, which provided **our** liability is not increased may be completed
 - a in any manner suitable to **your** requirements
 - b on a different site
- 2 the repair or restoration of **damaged property**

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

You have stated the declared value, shown in **your** schedule for each **property**, and the premium has been calculated accordingly.

Declared value means **your** assessment of the cost of reinstatement of each **property** at the level of costs applying at the start of the **period of insurance** (ignoring inflationary factors which may operate subsequently) together with an allowance for

- 1 the additional cost of reinstatement to comply with public authority requirements
- 2 professional fees
- 3 debris removal costs.

Special conditions applicable to day one average cover

- 1 At the start of each **period of insurance you** must tell **us** the declared value of each **property**. Without this declaration the current declared value will be taken as the declared value for the next **period of insurance**.
- 2 If at the time of **damage** the declared value of the **property you** are claiming for is less than the cost of reinstatement at the start of the **period of insurance**, **our** liability for any **damage** will be proportionately reduced and will be limited to the proportion that the declared value bears to the cost of reinstatement.
- 3 **Our** liability for the repair or restoration of **property damaged** in part only, will not exceed the amount which would have been paid had the **property** been completely destroyed.
- 4 No payment will be made beyond the amount that would have been payable in the absence of this Day one average cover extension
 - a unless reinstatement starts and proceeds without unreasonable delay
 - b until the cost of reinstatement has been incurred
 - c if the **property** at the time of the **damage** is insured by any other insurance which is not on the same basis of reinstatement.

If **you** do not comply with Special condition 4 or **you** decide not to rebuild the **property** in a condition equal to but

not better or more extensive than its condition when new then this cover is cancelled and **our** and **your** rights and liabilities in respect of the **damage** will be subject to the following condition of average (under insurance).

The cover for each **property** is deemed to be subject to average i.e. if the **property** at the time of **damage** is valued at more than 115% of the declared value stated in **your** schedule, then **you** will be considered as self-insured for the difference and will be responsible for a proportionate share of the loss.

Drains clearance cover

We will pay **you** for the costs and expenses necessarily and reasonably incurred by **you** in clearing, cleaning and/or repairing drains, gutters and/or sewers to **your property** or for which **you** are responsible, following **damage** to **your property**.

The most **we** will pay for any one claim under this cover is £5,000.

European Community and public authorities cover

Subject to the following special conditions, the cover on **your property** also includes the additional cost of reinstatement that may be incurred solely due to the necessity to comply with the stipulations of

- 1 European Community Legislation
or
- 2 Building or other regulations under or there to support, any Act of Parliament or Bye-laws of any Public Authority

Buildings section *continued*

referred to as the stipulations, for

- a the **damage** to the **property**
- b undamaged portions of the **property**.

Excluding

- 1 the cost incurred in complying with the stipulations
 - a for damage occurring prior to the granting of this cover
 - b for damage not insured by this section
 - c where **you** have been served notice prior to the **damage** happening
 - d where there is an existing requirement which has to be implemented within a given period
 - e for **property** entirely undamaged by any insured event
- 2 the additional cost that would have been required to make good the **damaged property** to a condition the same as when new, had the need to comply with the stipulations not arisen
- 3 the amount of any charge or assessment arising out of capital appreciation which may be payable for the **property** or by the owner to comply with the stipulations.

Special conditions applicable to European Community and public authorities cover

- 1 Reinstatement work must be started and carried out without unreasonable delay and must be completed within 12 months after

the **damage** or any further time that **we** agree (during those 12 months).

- 2 Reinstatement may be carried out on another site (if the stipulations require) subject to **our** liability under this extension not being increased.
- 3 If **our** liability under this section is reduced by the application of any of the terms and conditions of the **policy**, then **our** liability for European Community and public authorities cover will be reduced proportionately.
- 4 The total amount recoverable for any **property** will not exceed its sum insured.

Eviction of squatters expenses cover

We will cover **you** for legal expenses that **you** incur in pursuit of proceedings to evict squatters from **your property** with **our** prior written consent provided that such loss is not insured elsewhere.

The most **we** will pay for any one claim under this cover is £15,000.

Extinguishment and alarm resetting expenses cover

We will pay **you** for the cost of replacing and/or replenishing extinguishment materials when **you, your** employees or the fire brigade attempt to extinguish or minimise loss by fire. Provided that the costs and expenses cannot be recovered from the public authority responsible.

The most **we** will pay for any one claim under this cover is £5,000.

Glass breakage cover

We will, at **our** option, pay for or make good any breakage or malicious scratching of all internal or external fixed glass and fixed mirrors, belonging to **you** or for which **you** are responsible at the **property**. Provided that the glass and mirrors are in good condition and free from **damage** at the start of this **policy**.

We will also pay for the cost of

- 1 boarding up and repair to associated framework, reasonably incurred as a result of an insured breakage. **You** may instruct builders or glaziers to board up where necessary without **our** prior consent
- 2 removal or replacement of fixtures and fittings which may be necessary in connection with the replacement of the glass.

Illegal cultivation of drugs cover

We will cover **you** for the clean up costs and remedial works from the use of the **property** for the manufacture, cultivation, harvesting or processing by any other method of drugs classed as controlled substances under the Misuse of Drugs Act (1971).

Provided that **you**

- 1 carry out internal and external inspections of the **building(s)** at least every 3 months or as frequently as permitted under the tenancy agreement and
 - a maintain a log of those inspections and retain that log for at least 24 months

- b carry out a 6 monthly management check of the inspections log
- 2 obtain satisfactory credit references from a licensed Credit Referencing Agency prior to granting the tenancy with the tenant having given permission for this information to be released in the event of a claim
- 3 obtain and record details of **your** tenant's bank account and verify those details by receiving rental payments from that account
- 4 obtain and record a written formal identification of any prospective tenant
- 5 do not permit any sub-letting of **your property**.

If **you** do not comply with the above conditions **you** will not be covered and **we** will not pay **your** claim.

The most **we** will pay in any one **period of insurance** under this cover is £5,000.

Inflation protection cover

We will adjust the declared value for **property** in line with suitable indices of cost and the renewal premium for this section will be based on the adjusted sums insured.

Landscaped gardens cover

We will pay **you** for the cost of restoring any **damage** caused by the emergency services to landscaped gardens, which **you** are responsible for, when the emergency services are attending the **property** as a result of **damage**.

The most **we** will pay for any one claim for **damage** under this cover is £10,000.

Loss of keys cover

We will pay **you** for the cost of replacing external door locks after the loss of keys. Cover will extend to include replacement locks where there is reasonable evidence that keys have been duplicated by an unauthorised person.

The most **we** will pay for any one claim under this cover is £1,000.

Malicious damage and theft by tenants cover

We will cover **you** for malicious damage and loss by theft caused by **your** tenants provided that **you**

- 1 carry out internal and external inspections of the **building(s)** at least every 3 months or as frequently as is permitted under the tenancy agreement and
 - a maintain a log of those inspections and retain that log for at least 24 months
 - b carry out a 6 monthly management check of the inspections log
- 2 obtain satisfactory credit references from a licensed Credit Referencing Agency prior to granting the tenancy with the tenant having given permission for this information to be released in the event of a claim
- 3 obtain and record details of **your** tenant's bank account and verify those details by receiving rental payments from that account
- 4 obtain and retain a written formal identification of any prospective tenant

- 5 do not permit any sub-letting of **your property**.

If **you** do not comply with the above conditions **you** will not be covered and **we** will not pay **your** claim.

We will not pay **you** under this cover for

- 1 any amount recovered from the tenant or legally recoverable from the tenant whether recovered or not
- 2 damage occurring
 - a where the tenancy agreement is for 90 days or less
 - b while the **building** is **empty**
- 3 damage caused by
 - a chewing, scratching, tearing or fouling by domestic pets
 - b **your employees**
- 4 the **excess** detailed in **your** schedule.

The most **we** will pay in any one **period of insurance** under this cover is £5,000.

Mortgagees and other interests cover

The interest of the leaseholder(s), mortgagee(s) and tenant(s) in the individual portions of the **property** is noted and should be advised to **us** in the event of a claim.

Non-invalidating cover

Your interest or the interest of the mortgagee(s) under this insurance will not be prejudiced by any act or neglect of the occupiers or mortgagors of any **property** where the risk of **damage** is increased without **your** or the mortgagees authority or knowledge. Provided that once **you** or the mortgagees are aware of the increased

risk, **you** must give **us** written notice as soon as possible and pay any additional premium that **we** may require.

Reinstatement of sum insured after loss cover

In the event of loss, the sum insured by this section will be automatically reinstated from the date of the loss, unless **we** or **you** give written notice to the contrary.

Provided that in the event of reinstatement **you** will always

- 1 pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- 2 apply any additional risk improvements which **we** may reasonably require.

Removal of debris cover

We will pay **you** for the costs and expenses necessarily incurred by **you** with **our** consent in

- 1 removing debris from
- 2 dismantling and/or demolishing
- 3 shoring up or propping

the portion or portions of the **property** insured as a result of **damage**. **We** will not pay for costs or expenses

- a incurred in removing debris except from the site of the **damaged property** and the area immediately adjacent to the site
- b arising from pollution or contamination of property not insured by this section.

Removal of debris (tenants' contents) cover

We will pay **you** for the irrecoverable costs and expenses (where they are not insured elsewhere) incurred by **you** with **our** consent to remove the debris of tenants' contents following **damage**.

We will not cover for costs or expenses

- 1 incurred in removing debris except from the site of the **damaged property** and the area immediately adjacent to the site
- 2 arising from pollution or contamination of other property not insured by this section.

Removal of nests cover

We will pay **you** for any one claim for the cost of removing wasps, bees or hornets nests from the **property**.

The most **we** will pay for any one claim under this cover is £1,000.

Subrogation waiver cover

In the event of a claim under this section **we** agree to waive any rights, remedies or relief which **we** might have become entitled by subrogation against

- 1 any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2 any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of the **damage**

Buildings section *continued*

- 3 any tenant provided that
 - a the **damage** did not result from a criminal, fraudulent or malicious act of the tenant
 - b the tenant contributes to the cost of insuring the **property** against the event which caused the **damage**.

Theft of building fabric cover

We will pay **you** for

- 1 **damage** to the external fabric of the **property** as a result of theft or attempted theft
- 2 **damage** following entry of rainwater as a result of theft or attempted theft of the external fabric of the **property**.

We will not cover the **excess** shown in **your** schedule for each and every loss after the application of any average condition.

This cover does not apply to any **property** which is **empty**.

Trace and access cover

We will pay **you** for the reasonable costs that **you** incur in finding the source of **damage** and repairing it, caused by

- 1 the escape of water from any tank, apparatus or pipe
- 2 **damage** to cables, underground pipes and drains providing services to the **property** and for which **you** are legally responsible.

The most **we** will pay for any one **property** in any one **period of insurance** under this cover is £10,000.

Transfer of interest cover

If at the time of **damage you** have entered into a contract to sell **your** interest in the **property** and the sale has not but is subsequently completed, the purchaser will have the full protection of this section on exchange of contracts, provided it is not covered by any other insurance.

Tree felling or lopping cover

We will pay reasonable costs and expenses necessarily incurred in felling, lopping and removing trees for which **you** are legally responsible and which are an immediate threat to the safety of life or property.

Provided that **we** will not be liable:

- 1 for legal or local authority costs involved in removing trees
- 2 for costs incurred solely to comply with a preservation order
- 3 for the costs incurred in respect of routine maintenance.

The most **we** will pay under this cover is £500 any one claim and £2,500 in any one **period of insurance**.

Unauthorised use of electricity, gas, oil and water cover

We will pay **you** for the charges that **you** are responsible for if gas, electricity, oil or water is discharged from a metered system, arising from unauthorised use by persons taking possession, keeping possession or occupying **property** without **your** authority. Provided that **you** take all reasonable steps to terminate the unauthorised use as soon as it is discovered.

Buildings section *continued*

The most **we** will pay for any one claim under this cover is £5,000.

Value Added Tax (VAT) cover

We will pay **you** for VAT, paid by **you**, which is not recoverable. Provided that

- 1 a **your** liability for the tax arises as a result of the reinstatement or repair of the **property** following **damage**
- b **we** have paid or have agreed to pay for the **damage**
- c if any payment made by **us** is less than the actual cost of the reinstatement or repair of the **damage**, then any payment under this cover, resulting from that **damage**, will be reduced by the same proportion
- 2 **your** liability for VAT does not arise from the replacement **property** having a greater floor area, or being better or more extensive than the **damaged property**
- 3 where the **property** is reinstated on another site **our** liability will not be higher than the amount of VAT that would have been payable had the **property** been rebuilt on its original site
- 4 **our** liability does not include amounts **you** have paid as penalties or interest for non-payment or late payment of VAT
- 5 **you** have taken all reasonable precautions to insure adequately for VAT liability at the start of this **policy** and at each subsequent renewal date.

For the purpose of any condition of average, reinstatement costs will be exclusive of VAT. **Our** liability may be more than the sum insured for a **property** where the additional amount is solely as a result of VAT.

x What is not covered

Aircraft or aerial devices exclusion

We will not cover damage caused by or consisting of pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

Date recognition exclusion

We will not cover damage directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date. But **we** will cover subsequent **damage** resulting from one of the insured causes **1** to **8**, which is not excluded elsewhere in the **policy**.

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**; or
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned

Buildings section *continued*

by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from causes **1** to **8** covered by this section, except for loss destruction or damage caused by malicious persons other than thieves.

Erasure of data exclusion

We will not cover damage arising directly or indirectly from

- 1** erasure, loss, distortion or corruption of information on computer systems or other records, programs or software deliberately caused by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotion or malicious persons
- 2** other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software unless resulting from causes **1** to **8** and it is not excluded elsewhere in the **policy**.

Excess exclusion

We will not cover the **excess** detailed in **your** schedule.

Where a claim is covered under both the Buildings and Landlords contents sections **you** will only be responsible for one of the **excess** amounts detailed in **your** schedule.

Fraud and dishonesty exclusion

We will not cover damage which results from acts of fraud or dishonesty by **you**, **your** employees or any other person who is responsible for the **property** or results from voluntarily parting with title or possession of any **property** as a result of a fraudulent scheme, trick, device or false claim. But **we** will cover subsequent **damage** which itself results from an insured cause covered elsewhere in this section.

Illegal activities exclusion

We will not cover damage caused by **property** being used, by **you** or any occupants, for illegal activities other than the cover for **damage** provided for by the Illegal cultivation of drugs cover under the Buildings section of this **policy**.

More specific insurance exclusion

We will not cover **you** for any **property** more specifically insured by **you** or on **your** behalf.

Pollution or contamination exclusion

We will not cover damage caused by pollution or contamination except (unless excluded elsewhere) **damage** to **property** caused by

- 1** pollution or contamination which itself results from causes **1** to **8**
- 2** any of causes **1** to **8** which itself results from pollution or contamination.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any **property**, or any consequential loss directly or indirectly caused by or contributed to by or arising from

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

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1 For England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.
- 2 For Northern Ireland
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss

- b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- c riot, civil commotion and (except for **damage** or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder shall remain in full force and effect.

In any action, law suit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Unexplained loss exclusion

We will not cover for damage caused by or consisting of disappearance, unexplained or inventory shortage, misfiling or misplacing of information.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition seizure or destruction or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Change in tenancy condition

You must tell **us** of all changes in tenancy or occupation within the **property**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Contribution and average condition

If, at the time of the claim, there is any other policy covering the same **property**, **we** will only be responsible for **our** proportionate share.

If any other policy is subject to any average (under insurance) condition this **policy**, if not already subject to average, will be subject to average in the same way as the other insurance.

If any other policy has a condition that prevents it from paying its share, **our** share of the claim will be limited to the

proportion that the sum insured bears to the value of the **property** insured.

Empty properties condition

- You** must tell **us** immediately **you** become aware
 - that the **property** is **empty**
 - of any **damage** to the **empty property** whether the **damage** is insured or not
- the **property** must be inspected internally and externally at least once a week by **you** or on **your** behalf and a written record of the inspection is maintained by **you**
- all refuse and waste materials must be removed from the interior of the **property** and no accumulation of refuse and waste is allowed in the adjoining yards or space owned by **you**
- you** must secure the **property** and put all protective, locking devices and any alarm protection into effective operation
- the gas, water and electricity supplies must be turned off at the mains (except electricity needed to maintain any fire or intruder alarm systems)
- during the period 1st October to 31st March all water systems must be drained
- you** must implement any additional protections that **we** may require within the time scale **we** specify
- all **damage** to the **property** must be rectified immediately
- letterboxes must be sealed

10 the final exit door of the **property** must be secured by an appropriate mortice deadlock which has five or more levers and conforms to British Standard (BS) 3621 or European Norm (EN) 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Explosion condition

You must ensure that any vessel, machinery or apparatus or its contents belonging to **you** or under **your** control, which need examination to comply with any statutory regulations, will have a contract providing the required inspection.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Fire extinguishing appliances condition

Fire extinguishing equipment must be

- 1** maintained in efficient working order
- 2** routinely tested and any defects promptly rectified.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Flat roof condition

Any flat portions of the roof of the **building(s)** are to be inspected once every 2 years by a competent roofing contractor and any recommendations implemented.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Individual flats condition

Where **your property** is an individual flat **we** will only be responsible for **our** proportionate share of any claim relating to portions of the **property** for which **you** are responsible.

Payments on account condition

In the event of **damage we** can, at **our** option, make monthly payments to **you** if required.

Reinstatement condition

If any **property** is to be reinstated or replaced by **us**, then **you** will at **your** own expense provide all the plans, documents, books and information that may be needed. **We** will not be required to reinstate the **property** exactly but only as circumstances permit and in a reasonable manner. **We** will not pay more than the sum insured for any one **property**.

Workmen's condition

Joiners and other tradesmen are allowed on the **property** to make repairs or minor structural alterations without prejudice to this insurance.

Rental income section

Contents of this section

Meanings of defined terms	30
What is covered	31
What is not covered	34
Section conditions	34

Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 6. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Notes

- 1 For the purpose of these definitions any adjustments implemented in current cost accounting will be disregarded.
- 2 To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of such tax.
- 3 Adjustments will be made as necessary for trends of the **business** and for variations and other circumstances affecting the **business**, either before or after the **damage**, or which would have affected the **business** had the **damage** not occurred so that the adjusted figure represents as closely as possible the results which would have been obtained during the relative period after the **damage**.

Annual rental income

The **rental income** during the 12 months immediately before the date of the **damage**.

Damage/damaged

Accidental loss or destruction or damage to **property** used by **you** for the purpose of the **business**.

Empty

Wholly unoccupied, mainly unoccupied or not in use by **you** or any of **your** tenants for more than 45 consecutive days.

Indemnity period

The period during which the **business** is affected beginning when the **damage** occurred and ending not later than the maximum indemnity period shown in **your** schedule.

Rental income

The money paid or payable to **you** for tenancies and other charges for services provided in the course of **your** **business** at the **property**.

Standard rental income

The **rental income** during the period in the 12 months (or a proportionately increased multiple, if the **indemnity period** exceeds 12 months) immediately before the date of the **damage** which corresponds with the **indemnity period**.

Vermin

Rats, mice, grey squirrels, owls, pigeons, foxes, bees, wasps or hornets.

✓ What is covered

Alternative trading cover

If during the **indemnity period** accommodation is provided other than at the **property**, for the benefit of the **business**, either by **you** or by others on **your** behalf, the money paid or payable for the accommodation will be taken into account in arriving at the **rental income** during the **indemnity period**.

Boiler explosion cover

We will pay **you** for loss of **rental income** caused by **damage** resulting from the explosion of any boiler or economiser at the **property** belonging to **you** or under **your** control.

Buildings awaiting sale cover

If at the time of the **damage** **you** have contracted to sell **your** interest in the **property** or have accepted a written offer to purchase **your** interest in the **property** subject to contract, and the sale is cancelled or delayed solely due to the **damage**, **we** will pay at **your** option either

- 1 during the period before the date when the **property** would have been sold the actual amount of the reduction in **rental income** solely as a result of the **damage**
- 2 during the period starting with the date when the **property** would have been sold and ending with the actual date of sale, or when the **indemnity period** ends if earlier, the loss of interest which is

Rental income section *continued*

- a the 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 **you** have lost on any balance of the sale proceeds (after deduction of any capital borrowed in **2a** above)

less any amount received in **rental income**

- 3 the additional expenditure being
 - a the expenditure needed, and reasonably incurred as a result of the **damage**, solely to avoid or minimise the loss payable under **1** or **2** above, but not more than the amount of loss avoided by the expenditure
 - b the additional legal fees and other expenditure required as a result of the cancellation or delay due to the **damage**. This amount will not be more than the amount of the expenditure incurred immediately before the **damage** under **3a** above or £50,000, whichever is less.

Provided that

- 1 **we** have made a payment or accepted liability under the Buildings section of this **policy**
- 2 **you** have made all reasonable efforts to complete the sale of the **property** as soon as reasonable after the **damage**.

Denial of access and loss or damage at managing agents' premises cover

We will cover **you** for loss of **rental income** resulting from interruption of or interference with the **business** as a result of damage by a cause covered under the Buildings section to

- 1 property within a 5 mile radius of **your property** which prevents or hinders the use of **your property**, or access to it, regardless of whether **your property** is **damaged**. This does not include any **damage** to property from which **you** obtain electricity, gas, water or telecommunications services which prevent or hinder the supply of these services
- 2 **property** at managing agents' premises.

Failure of public supply cover

We will cover **you** for loss of **rental income** following interruption of or interference with the **business** caused by **damage** by a cause covered under the Buildings section to property at any

- 1 public electricity generating station or sub station
- 2 land based premises of the public gas supply or of any natural gas producer linked directly to them
- 3 water works and pumping stations of the public water supply
- 4 land based premises of the public telecommunications network

from which **you** obtain electricity, gas, water or telecommunications services within the **policy territories**.

Rental income section *continued*

Loss of rental income cover

We will cover **you** for loss of **rental income** if the **property** insured under the Buildings section is **damaged** during the **period of insurance** and as a result **your business** is interrupted or interfered with.

We will pay **you**

- 1 the difference between **your rental income** and the **standard rental income** during the **indemnity period** due to the **damage**
- 2 additional expenditure necessarily and reasonably incurred. This will include the cost of re-letting the **property** and the associated legal fees in trying to avoid or limit the loss of **rental income** that, without the expenditure, would have taken place during the **indemnity period** because of the **damage**. The amount **we** pay will not exceed the amount of the loss of **rental income** avoided

less any business expense saved because of the **damage** during the **indemnity period**.

Provided that

- 1 **we** have made a payment or accepted liability under the Buildings section of this **policy**
- 2 if the sum insured detailed in **your** schedule is less than **your annual rental income**, or a multiple of it where the maximum **indemnity period** shown in **your** schedule exceeds 12 months, then the amount **we** will pay **you** will be proportionately reduced

- 3 **our** liability under this section will not exceed the sum insured shown in **your** schedule.

Professional accountants cover

We will pay **you** for the reasonable charges that **you** have to pay

- 1 to professional accountants for producing the particulars or details or any other proofs, information or evidence that **we** may require under the Claims procedures condition and reporting that these particulars or details are in accordance with **your** accounting records, other business books or documents
- 2 to **your** lawyers for determining **your** contractual rights under any rent cessor clause or insurance break clause contained in the lease.

We will not cover fees for any other purposes or for the preparation of any claim.

Reinstatement of sum insured cover

In the event of loss, the sum insured by this section will be automatically reinstated from the date of the loss unless **we** or **you** give written notice to the contrary.

Provided that in the event of reinstatement **you** will always

- 1 pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- 2 apply any additional risk improvements which **we** may reasonably require.

Rental income section *continued*

Rent review cover

Where the **rental income** is subject to a rent review during the **period of insurance** then the sum insured by this section will automatically be increased to reflect the revised amount up to a maximum increase of 200% of the **rental income** sum insured stated in **your** schedule. **We** will not charge extra premium for increases during the current **period of insurance** provided that prior to renewal **you** tell **us** of the revised **rental income** for the next **period of insurance**.

Subrogation waiver cover

In the event of a claim under this section **we** agree to waive any rights, remedies or relief to which **we** might have become entitled by subrogation against

- 1 any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2 any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of the **damage**

- 3 any tenant provided that
 - a the **damage** did not result from a criminal, fraudulent or malicious act of the tenant
 - b the tenant contributes to the cost of insuring the **property** against the event which caused the **damage**.

Transfer of interest cover

If at the time of **damage you** have entered into a contract to sell **your** interest in the **property**, and the sale has not, but is subsequently completed, the purchaser will have the full protection of this section on exchange of contracts, provided it is not covered by any other insurance.

x What is not covered

Public services exclusion

We will not cover loss of **rental income** resulting from damage caused by or resulting from the deliberate act of withholding the supply of water, electricity, gas or fuel supply or telecommunication services.

But **we** will pay **you** for

- 1 **damage** which results from a cause **1 to 8** under the Buildings section.
- 2 subsequent **damage** which itself results from a cause not excluded elsewhere in the **policy**.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Rental income section *continued*

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Contribution and average condition

If, at the time of the claim, there is any other policy covering the same **rental income**, **we** will only be responsible for **our** proportionate share.

If any other policy is subject to any average (under insurance) condition, this **policy** if not already subject to average, will be subject to average in the same way as the other insurance.

If any other policy has a condition that prevents it from paying its share, **our** share of the claim will be limited to the proportion that the sum insured bears to the amount of **rental income** for the **indemnity period** shown on **your** schedule.

Empty buildings condition

Where **you** are insured for **rental income** from a **property** that is **empty**, in the event of **damage you** need to provide evidence of what **you** would have earned from **rental income** and the date from when **you** would have earned it.

We will take into account

- 1 negotiations with prospective tenants before and after the **damage**
- 2 demand for similar accommodation in the locality
- 3 the general level of rents.

If required **we** will use the advice of a professional valuer acceptable to **us** and to **you**. Any fees will be included under this insurance.

New business condition

For the purpose of any claims arising before the end of the first year of trading of the **business** at the **property**, the definitions for **annual rental income** and **standard rental income** will have the following meanings and not as previously stated.

Annual rental income

The proportional equivalent for a period of 12 months of the **rental income** earned during the period between the start of the **business** and the date of the **damage**.

Standard rental income

The proportional equivalent for a period equal to the **indemnity period** of the **rental income** earned during the period between the start of the **business** and the date of the **damage**.

Payments on account condition

In the event of **damage we** can, at **our** option, make monthly payments to **you** if required.

Property owners liability section

Contents of this section

Meanings of defined terms	36
What is covered	38
Limit of cover	41
What is not covered	42
Section condition	44

Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 6. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Additional persons insured

- 1 The personal representative of any deceased person entitled to the cover provided by this section but only in respect of liability incurred by the deceased person.
- 2 At **your** request
 - a any principal for whom **you** are completing a contract for the performance of work, to the extent required by the contract conditions
 - b any director or **employed person(s) of yours** in connection with the **business**
 - c any officer or member whilst undertaking their duties in connection with **your**
 - i canteen, sports, social, educational or welfare organisations
 - ii fire, security, first aid, medical or ambulance services
 - d any director or officer of **yours** for whom private work is undertaken by any **employed person(s)**, with **your** prior consent.

Asbestos

Asbestos in any form, asbestos fibres or particles or derivatives of asbestos or any material containing asbestos.

Bodily injury

Death, bodily injury, illness or disease.

Claim costs

Costs and expenses

- 1 of any claimant which **you** or any of the **additional persons insured** become legally liable to pay
- 2 incurred with **our** prior written consent, to investigate or defend a claim against **you** or any of the **additional persons insured** and this will include solicitors fees at
 - a any coroner's inquest or fatal accident inquiry
 - b summary court proceedings.

Contractual liability

Legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** legal liability beyond that applicable in the absence of those terms.

Electronic data

Facts, concepts or information in a form usable for communications, interpretation or processing by electronic, electromechanical data processing or electronically controlled equipment and this includes

programmes, software, firmware, operating systems or other coded instructions for the processing or manipulation of data.

Event

Claim or series of claims against **you** or the **additional persons insured** as a result of or attributable to a single source or the same original, repeated or continuing cause.

Limit of indemnity

The amount shown in **your** schedule as the limit of indemnity.

Manslaughter costs

Costs and expenses of legal representation in connection with any criminal inquiry into, or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Pollution or contamination

Pollution or contamination of buildings or other structures or of water, land or the atmosphere.

Safety legislation costs

Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Consumer Protection or Food Safety legislation, enacted within the **policy territories**.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

✓ What is covered

Awards of damages cover

We will pay the amount of damages which **you**, or any of the **additional persons insured** are legally liable to pay as a result of accidental

- 1 **bodily injury** to any person
- 2 loss of or damage to material property
- 3 obstruction, trespass, nuisance or interference with any right of way, air, light or water
- 4 wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy

occurring within the **policy territories** during the **period of insurance** in connection with the **business**.

Claims costs cover

We will pay **claim costs** in connection with a claim for which an award of damages is paid or may be payable under this section, but **we** will not cover **claim costs** for any part of a claim not covered by this section.

Compensation for court attendance cover

We will compensate **you** at the rate of £250 per day, for each day that **your** attendance is required at court, if

- 38 Defined terms are **highlighted in bold blue** ▶ see page 6 and the start of each section of cover for their meanings

we request any director, partner or **employed person(s)** to attend as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

Contingent motor liabilities cover

We will pay the amount of damages which **you** are liable by law and **claim costs** as a result of accidental

1 **bodily injury**

- 2 loss of or damage to property not owned or held in trust by **you** or in **your** custody or control

occurring during the **period of insurance** and arising out of

- a the use by an **employed person** of their own motor vehicle within the European Union
- b the movement of any motor vehicle, not owned by, or provided by **you**, or an **employed person** that is preventing access to, or causing an obstruction within **your** premises or any site at which **you** are working.

The Road Traffic Act exclusion in this section does not apply to this cover provided that

we will not cover

- i for loss of or damage to any motor vehicle referred to in a or b above
- ii unless the motor vehicle is being driven with **your** permission and **you** have taken reasonable steps to ensure that the person driving holds a valid licence to drive the motor vehicle

- iii where cover is provided by another insurance policy.

Cross liabilities cover

Any person, firm, company or organisation is entitled to the cover provided by this section, as if a separate policy had been issued to each, but the total amount payable by **us** on behalf of all, will not exceed the **limit of indemnity** in any circumstances.

Data protection cover

We will cover the amount of compensation which **you** are legally liable to pay in respect of damage or distress occurring during the **period of insurance**, arising from holding personal data, or, as a result of any loss, misuse or unauthorised disclosure of personal data held by **you** in the course of the **business**.

We will only pay

- 1 amounts of compensation which **you** are ordered to pay, or which **you** might reasonably be expected to pay by a court having jurisdiction
- 2 if **you** are registered or are in the process of registration (and the application has not been refused or withdrawn) under Data Protection legislation

within the **policy territories**.

We will not cover

- 1 fines or penalties imposed by a court
- 2 the costs of any appeal against the refusal of an application for registration or alteration, in connection with the Data Protection

legislation or any enforcement, de-registration or prohibition notice

- 3 the cost of replacing, reinstating, rectifying or erasing any personal data
- 4 refund of monies paid to **you** by any claimant
- 5 claims caused by or arising from any deliberate act, error or omission where the results are intended or expected, or are reasonably foreseeable by **you**
- 6 liability for which cover is provided under any other more specific insurance.

The maximum **we** will pay for compensation, costs and expenses in total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

Defective Premises Act cover

We will pay the amount of damages which **you** are liable by law and **claim costs** as a result of accidental **bodily injury** or loss of or damage to material property, occurring during the **period of insurance** arising out of premises **you** have disposed of but had previously owned.

We will not cover loss of or damage to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect in them.

We will not cover any liability which **you** are covered for under any other insurance policy.

Manslaughter costs cover

We will pay for **manslaughter costs**, as a result of any death occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** or any of the **additional persons insured** for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or withdrawn **we** will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), an appeal is likely to succeed and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you** in connection with the proceedings.

The most **we** will pay for **manslaughter costs**, during any one **period of insurance**, is £1,000,000.

We will not cover

- 1 fines, penalties or awards of compensation imposed by a criminal court

- 2 costs and expenses of implementing any remedial order or publicity order
- 3 costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order
- 4 costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order
- 5 costs and expenses insured by any other policy
- 6 costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Personal liability cover

At **your** request, **we** will pay the amount of damages which any of **your** directors, partners or **employed person(s)** or their spouse or children are liable by law and **claim costs**, as a result of accidental

- 1 **bodily injury**
- 2 loss of or damage to material property, not owned by or held in trust by **you** or them, or in **your** or their custody or control occurring during the **period of insurance**, incurred in a personal capacity during temporary visits anywhere in the world in connection with the **business**, other than
 - a arising out of the ownership or occupation of land or buildings
 - b where cover is provided under any other insurance
 - c in circumstances which a Policy or section exclusion applies.

Safety legislation defence cover

We will pay for **safety legislation costs**, as a result of any **bodily injury** or loss of or damage to property occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** or any of the **additional persons insured**, for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or withdrawn **we** will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), an appeal is likely to succeed and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you** in connection with the proceedings.

The most **we** will pay for **safety legislation costs**, during any one **period of insurance**, is £1,000,000.

We will not cover

- 1 fines, penalties or awards of compensation imposed by a criminal court
- 2 costs and expenses of an appeal against improvement or prohibition notices
- 3 costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than **safety legislation costs** already incurred
- 4 costs and expenses insured by any other policy
- 5 costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Limit of cover

The most **we** will pay for the total of all damages arising from one **event** is the **limit of indemnity**.

The **limit of indemnity** is also the most **we** will pay for all damages as a result of all occurrences during any one **period of insurance** caused or originating from

- 1 **pollution and contamination** and/or
- 2 **terrorist act**.

If **we** cover more than one person, firm, company or organisation, **our** liability to all, as a result of one **event**, will not be more than the **limit of indemnity**.

We will pay **claim costs** in addition to the **limit of indemnity**.

As a result of any claim or claims **we** may at any time pay the **limit of indemnity**, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment except for **claim costs** incurred before the date of the claim payment.

x What is not covered

Aircraft and watercraft exclusion

We will not cover legal liability arising from **you** owning, possessing or using any

- 1 aircraft
- 2 watercraft or hovercraft (except watercraft less than 8 metres in length or any hand propelled boat or pontoon).

Asbestos exclusion

We will not cover legal liability in any way arising from or contributed to by

- 1 inhalation or ingestion of **asbestos**
- 2 exposure to or fear of the consequences of exposure to **asbestos**
- 3 the presence of **asbestos** in any property or on land
- 4 investigating, managing, removing, controlling or remediation of **asbestos**.

Contractual liability exclusion

We will not cover **contractual liability**, liquidated damages or any contractual fines or amounts payable under penalty clauses.

Electronic data exclusion

We will not cover claims caused by or arising from

- 1 authorised or unauthorised transmission of **electronic data**
- 2 the content of any website, **your** email, intranet or extranet
- 3 loss, distortion, erasure, corruption or alteration of **electronic data** or any loss of use resulting in reduction of functionality
- 4 failure of electronic, electromechanical data processing or electronically controlled equipment or **electronic data** to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

Employee injury exclusion

We will not cover **bodily injury** sustained by any **employed persons** arising out of and in the course of their employment with **you**.

Excess exclusion

We will not cover the **excess** shown in **your** schedule. **You** will have to pay the **excess** for loss of or damage to property and this will apply to each **event**.

Foreign manual work exclusion

We will not cover legal liability arising outside the **policy territories**, except as a result of temporary visits by people ordinarily resident within the **policy territories** provided there is no manual work involved.

Managing agents professional risk exclusion

We will not cover legal liability arising out of

- 1 loss of or damage to
- 2 any act, error, omission or fault in the service or duties which **you** provide or contract to undertake as agent for

property let or managed or any property for which **you** are responsible.

Pollution and contamination exclusion

We will not cover legal liability arising from **pollution or contamination**, other than caused by a sudden and unexpected incident which takes place at a specific time and place during the **period of insurance**. All **pollution or contamination** which arises out of one incident will be considered to have happened at the time the incident takes place.

Property under your control exclusion

We will not cover loss or damage to property owned by **you** or which is held in **your** care, custody or control.

But **we** will cover

- 1 premises which are leased, let, rented, hired or lent to **you**, as long as a tenancy or other agreement does not
 - a result in **contractual liability**
 - b say that loss or damage must be insured under a property insurance policy arranged by **you** or on **your** behalf

- 2 premises including contents which are not owned or rented by **you**, where **you** are temporarily carrying out work in connection with the **business**
- 3 **employed person(s)** or visitors vehicles or effects while on **your** premises.

Radioactive contamination exclusion

We will not cover any claims caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination.

Road Traffic Act exclusion

We will not cover legal liability arising out of the ownership, possession or use by **you** or on **your** behalf or use by any of the **additional persons insured** of any motor vehicle, trailer or mobile plant in circumstances where compulsory insurance or security is required by Road Traffic Legislation.

War risk exclusion

We will not cover claims caused by or arising from war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or confiscation or nationalisation or requisition, or loss of or damage to property by or under the order of any government or public or local authority.

Section condition

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Non-contribution (other insurance) condition

We will not cover any amount which is insured by any other policy, except for any amount beyond that payable under the other policy within the **limit of indemnity**.

Employers' liability section

Contents of this section

Meanings of defined terms	45
What is covered	46
Limit of cover	48
What is not covered	49
Section conditions	49

Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 6. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Additional persons insured

- 1 The personal representative of any deceased person entitled to the cover provided by this section but only in respect of liability incurred by the deceased person.
- 2 At **your** request
 - a any principal for whom **you** are completing a contract for the performance of work, to the extent required by the contract conditions
 - b any director or **employed person of yours** in connection with the **business**
 - c any officer or member whilst undertaking their duties in connection with **your**
 - i canteen, sports, social, educational or welfare organisations
 - ii fire, security, first aid, medical or ambulance services
 - d any director or officer of **yours** for whom private work is undertaken by any **employed person(s)**, with **your** prior consent.

Bodily injury

Death, bodily injury, illness or disease.

Claim costs

Costs and expenses

- 1 of any claimant, which **you** or any of the **additional persons insured** become legally liable to pay
- 2 incurred with **our** prior written consent, to investigate or defend a claim against **you** or any of the **additional persons insured** and this will include solicitors fees at
 - a any coroner's inquest or fatal accident inquiry
 - b summary court proceedings.

Contractual liability

Legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** legal liability beyond that applicable in the absence of those terms.

Limit of indemnity

The amount shown in **your** schedule as the limit of indemnity.

Manslaughter costs

Costs and expenses of legal representation in connection with any criminal inquiry into, or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Safety legislation costs

Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety legislation enacted within the **policy territories**.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

✓ What is covered

Awards of damages cover

We will pay the amount of damages for which **you**, or any of the **additional persons insured** are legally liable to pay as a result of **bodily injury** to any **employed person(s)** caused within the **policy territories** during the **period of insurance** in connection with the **business**.

Claim costs cover

We will pay **claim costs** in connection with a claim for which an award of damages is paid or may be payable under this section, but **we** will not cover **claim costs** for any part of a claim not covered by this section.

Compensation for court attendance cover

We will compensate **you** at the rate of £250 per day for each day that **your** attendance is required at court, if **we** request any director, partner or **employed person(s)** to attend as a

witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

Manslaughter costs cover

We will pay for **manslaughter costs**, as a result of any death occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** or any of the **additional persons insured** for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or withdrawn, **we** will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), an appeal is likely to succeed and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you** in connection with the proceedings.

The most **we** will pay for **manslaughter costs**, during any one **period of insurance**, is £1,000,000.

We will not cover

- 1 fines, penalties or awards of compensation imposed by a criminal court
- 2 costs and expenses of implementing any remedial order or publicity order
- 3 costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order
- 4 costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order
- 5 costs and expenses insured by any other policy
- 6 costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Safety legislation defence cover

We will pay for **safety legislation costs**, as a result of any **bodily injury** occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** or any of the **additional persons insured**, for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or withdrawn, **we** will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment.

Employers' liability section *continued*

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), an appeal is likely to succeed and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you** in connection with the proceedings.

The most **we** will pay for **safety legislation costs**, during any one **period of insurance**, is £1,000,000.

We will not cover

- 1 fines, penalties or awards of compensation imposed by a criminal court
- 2 costs and expenses of an appeal against improvement or prohibition notices
- 3 costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than **safety legislation costs** already incurred
- 4 costs and expenses insured by any other policy
- 5 costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Unsatisfied court judgements cover

We will, at **your** request, pay to an **employed person** or their legal personal representatives, the amount of any judgement for damages and any costs awarded that remain unsatisfied, resulting from **bodily injury** to the **employed person** caused during the **period of insurance** and arising out of and in the course of employment by **you** in connection with the **business**, provided that

- 1 the judgement for damages is
 - a obtained in a court of law within the **policy territories**
 - b obtained against a party registered or resident within the **policy territories**
 - c not obtained against **you**
- 2 there is no appeal outstanding

if any payment is made under the terms of this cover, the **employed person** or their legal personal representatives must assign the judgement to **us**.

Limit of cover

The most **we** will pay for the total of all damages and **claims costs** is the **limit of indemnity** A or B. The **limit of indemnity** will apply to

- 1 any one claim, or
- 2 any series of claims by one or more of the **employed person(s)** arising from one occurrence.

Limit of indemnity A will apply unless the occurrence arises directly or indirectly in connection with **terrorist act**.

Limit of indemnity B will apply to any occurrence arising directly or indirectly in connection with **terrorist act**.

As a result of any claim or claims, **we** may at any time pay the **limit of indemnity**, after deducting any amounts already paid, or any lesser amount for which a settlement can be made.

We will not then be liable to make any further payment as a result of the claim or claims, except for **claim costs** incurred before the date of the claim payment.

✘ What is not covered

Radioactive contamination exclusion

We will not cover any claims caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination in respect of

- 1 **contractual liability**
- 2 the liability of any principal for whom **you** are completing the contract.

Road Traffic Act exclusion

We will not cover legal liability for **bodily injury** to an **employed person** in circumstances where it is necessary to arrange compulsory motor insurance or security, under any Road Traffic Legislation.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Non-contribution (other insurance) condition

We will not cover any amount which is insured by any other policy, except for an amount beyond that payable under the other policy, within the **limit of indemnity**.

Right of recovery condition

The cover provided under this section is in line with any law relating to the compulsory insurance of liability to people employed within the **policy territories**. **You** must repay **us** all amounts **we** pay, which **we** would not have been liable to pay but for the law.

Terrorism insurance section

Contents of this section

Meanings of defined terms	50
What is covered	52
What is not covered	52
Section conditions	55

Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 6. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Consequential loss

Loss, resulting from interruption of or interference with the **business** as a result of **damage** to property used by **you**, at the **property**, for the purpose of the **business**.

Computer systems

Computer or other equipment or component or system or item which processes, stores, transmits or receives **data**.

Damage

Accidental loss or destruction or damage.

Data

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

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

Hacking

Unauthorised access to any **computer systems** whether **your** property or not.

Phishing

Any access or attempted access to **data** made by means of misrepresentation or deception.

Private individual

Any person other than

- 1 a company, association or partnership
- 2 a trustee or body of trustees where insurance is arranged under the terms of a trust
- 3 a person who owns residential property for the purpose of a business as a sole trader
- 4 a person who owns residential property of which in excess of 20% is commercially occupied
- 5 an executor of a will

Where

- (i) The residential property is occupied by a trustee, executor of a will or a sole trader as a private residence and the property is not a block of flats then each will be classified as a private individual in respect of that property.
- (ii) More than one person is named on the **policy** but each is a private individual, or one of the parties named is a financial interest that has simply had their interest noted then the **policy** will be classified as being in the name of a private individual.

Terrorism

For risks located in England, Wales and Scotland except for residential property insured in the name of a **private individual**.

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

For risks located in the Channel Islands and Isle of Man and for residential property located in England, Wales and Scotland insured in the name of a **private individual**.

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.

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

✓ What is covered

We will extend the cover provided under the following sections, where **your** schedule shows these as covered, to include **damage** caused by **terrorism**.

- 1 Buildings
- 2 Rental income
- 3 Landlord's contents

All losses arising within 72 hours caused by **terrorism** during the **period of insurance** will be treated as one loss and **you** can decide when the 72 hour period starts as covered by this section, provided that all **damage** occurs within the **period of insurance** and that no two periods overlap.

✗ What is not covered

Applicable to all locations

Excluded property exclusion

We will not cover **you** for any losses directly or indirectly caused by or resulting from loss, destruction or damage to any

- 1 property located outside England, Wales and Scotland, the Channel Islands and the Isle of Man and property in the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987
- 2 nuclear installation or nuclear reactor
- 3 property which is specifically excluded elsewhere in this **policy**.

Other insurances exclusion

We will not cover **you** for 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.

Applicable to risks in England, Wales and Scotland only and where the risks are not residential property insured in the name of a private individual

Electronic risks exclusion

We will not cover any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **you** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

But this exclusion will not apply where the loss

A) results directly from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea going or water going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such a vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any **computer systems**

and

B) comprises

- a** the cost of reinstatement, replacement or repair in respect of **damage** to or destruction of property insured by **you** and/or
- b** **consequential loss** suffered directly by **you** as a direct result of either **damage** or destruction to property insured by **you** at a location covered by this **policy** or as a direct result of denial, prevention or hindrance of access to a location where property insured by **you** is covered by this **policy** as a result of **damage** caused by **terrorism** to property which is within one mile of the location.

However, under **A)** and **B)** above **we** will not cover **you** for any losses caused by **terrorism** where the organisation involved or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

Subject only to the proviso set out in **C)** below, the following property is specifically excluded from the cover provided under **A)** and **B)** above

- (i)** money, currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any financial instrument of any sort whatever

and.

- (ii)** **data**.

C) However, in circumstances where loss otherwise falling within this section results indirectly from any alteration, modification, distortion, erasure or corruption of **data** because the occurrence of a peril or perils detailed under **A)** above results from any alteration, modification, distortion, erasure or corruption of **data** then notwithstanding **(ii)** above, such loss shall nonetheless be covered.

War risks exclusion

We will not cover any claims caused by or happening through 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.

Applicable to risks in the Channel Islands and Isle of Man and to residential property risks insured in the name of a private individual for England, Wales and Scotland

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**; or
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

Pollution and contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by, or in connection with, or arising from biological or chemical pollution or contamination.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

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

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition seizure or destruction or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Limitation of liability condition

Our liability for all losses from any one event and in total in any one **period of insurance** will not exceed

- 1 the total sums insured under each section
- 2 the sum insured for any one item
- 3 any specific limit of **our** liability shown in the **policy** sections
- 4 the sum insured (or limit remaining) after the deduction for any other **damage** occurring during the same **period of insurance**

whichever is the less as shown in **your** schedule.

Proof of cover condition

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, costs or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Landlord's contents section

Contents of this section

Meanings of defined terms	56
What is covered	58
Optional cover	59
Limit of cover	60
Extensions	60
What is not covered	61
Section conditions	63

Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 6. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Computer systems

Computer or other equipment or component or system or item which processes, stores, transmits or receives **data**.

Damage/damaged

Accidental loss or destruction or damage.

Data

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

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into

Landlord's contents section *continued*

network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

Empty

Wholly unoccupied, mainly unoccupied or not in use by **you** or any of **your** tenants for more than 45 consecutive days.

Flood

The escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam. Inundation from the sea. Rain induced run off. Whether resulting from storm or otherwise.

Hacking

Unauthorised access to any **computer systems**, whether **your** property or not.

Landlord's contents

Fixtures and fittings at the **property** (not forming a permanent part of the structure), furniture, furnishings, utensils and domestic appliances belonging to **you** or for which **you** are responsible as landlord.

Phishing

Any access or attempted access to **data** made by means of misrepresentation or deception.

Terrorism

For England, Scotland and Wales: Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's Government in the United Kingdom or any other government de jure or de facto.

For Northern Ireland: 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 whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or put the public or any section of the public in fear.

For the Channel Islands and the Isle of Man: 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.

Vermin

Rats, mice, grey squirrels, owls, pigeons, foxes, bees, wasps or hornets.

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems**, **data** or operations, whether involving

self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

✓ What is covered

If any **landlord's contents** is **damaged** by any of the following causes, **we** will pay **you** for the value of the **landlord's contents** at the time it is **damaged** or the amount of the **damage**, or at **our** option reinstate or replace the **landlord's contents** or any part of it.

Causes

- 1 Fire, lightning or earthquake excluding the **excess** detailed in **your** schedule.
- 2 Explosion, excluding
 - a damage caused by or consisting of the bursting by steam pressure of a boiler, economiser or other vessel, machine or apparatus where internal pressure is due to steam only, that belongs to **you** or is under **your** control, unless it is used for domestic purposes only.
 - b the **excess** detailed in **your** schedule
- 3 Riot, civil commotion, strikers, locked-out workers, labour or political disturbances, vandals or malicious persons, but excluding
 - a damage caused by confiscation, destruction or requisition by order of the Government or any Public Authority
 - b damage arising from stoppage of work
 - c damage caused by **your** employees, tenants or any other person lawfully on **your property** other than the cover for **damage** provided by the Malicious damage and theft by tenants cover
 - d damage to **landlord's contents** in any **property** which is **empty**
 - e damage caused by theft or attempted theft
 - f damage to **property** in the open
 - g the **excess** detailed in **your** schedule.
- 4 Storm or **flood**, but excluding
 - a damage due to a change in the water table level
 - b damage resulting from frost, subsidence, ground heave or landslide
 - c damage to property in the open
 - d the **excess** detailed in **your** schedule.
- 5 Escape of water from any tank, apparatus, pipe or sprinkler installation, excluding
 - a damage in any **property** which is **empty**
 - b the **excess** detailed in **your** schedule.
- 6 Impact by any aircraft or other aerial devices, vehicle or any article falling from them or by animals excluding the **excess** detailed in **your** schedule.

- 7 Leakage of fuel oil, used solely for domestic purposes, used in connection with the buildings, excluding
 - a damage to **landlord's contents** in any portion of the building which is **empty**
 - b the **excess** detailed in **your** schedule.
- 8 Theft or attempted theft, but excluding
 - a theft from any garden, yard or open space
 - b damage to **landlord's contents** in any **property** which is **empty**
 - c theft by **your** employees or any other person lawfully on the **property** other than the cover for **damage** provided by the Malicious damage and theft by tenants cover
 - d the **excess** detailed in **your** schedule.
- 9 Robbery excluding the **excess** detailed in **your** schedule.

Optional cover

10 Accidental damage

Your schedule will show if **you** have this cover.

The Landlord's contents section is extended to include the following cause

Any other **damage**,

but **we** will not cover

- 1 damage which is excluded under causes **1** to **9** or under 'What is not covered' under the Landlord's contents section

- 2 damage caused by or resulting from
 - a wear and tear, the action of light or atmosphere, moths, **vermin** or insects
 - b any process of cleaning, dyeing, restoring, adjusting, repairing, cutting, preparation or fitting
 - c corrosion, rust, dampness, dryness, wet or dry rot, shrinkage, marring or scratching
 - d wind, rain, hail, sleet, snow, dust or theft to property in the open
 - e subsidence, ground heave or landslip of any part of the site on which the **property** stands
 - f chewing, scratching, tearing or fouling by domestic pets
- 3 damage to **landlord's contents** caused by or consisting of
 - a inherent fault or defect, undiscovered defect, gradual deterioration, wear and tear, frost, change in water table level, faulty or defective design or materials
 - b faulty or defective workmanship, operational error or omission by **you** or any of **your** employees

but **we** will cover subsequent **damage** which results from a cause not excluded elsewhere

- 4 the cost of normal maintenance, redecoration or repair
- 5 damage caused by or consisting of
 - a mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment where the breakdown or derangement originates

- b** joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super heaters, pressure vessels or any range of steam and feed piping in connection with them

but **we** will pay **you** for subsequent **damage** which results from a cause not excluded elsewhere

- 6** the **excess** detailed in **your** schedule.

Limit of cover

The most **we** will pay for any **landlord's contents** covered by this section is the sum insured shown in **your** schedule.

Extensions

Inflation protection cover

We will adjust the sum insured for **landlord's contents** in line with suitable indices of cost and the renewal premium for this section will be based on the adjusted sums insured.

Malicious damage and theft by tenants cover

We will cover **you** for malicious damage and loss by theft caused by **your** tenants provided that **you**

- 1** carry out internal and external inspections of the **building(s)** at least every 3 months or as frequently as is permitted under the tenancy agreement and
 - a** maintain a log of those inspections and retain that log for at least 24 months

- b** carry out a 6 monthly management check of the inspections log
- 2** obtain satisfactory credit references from a licensed Credit Referencing Agency prior to granting the tenancy with the tenant having given permission for this information to be released in the event of a claim
 - 3** obtain and record details of **your** tenant's bank account and verify those details by receiving **rental** payments from that account
 - 4** obtain and retain a written formal identification of any prospective tenant
 - 5** do not permit any sub-letting of **your property**.

If **you** do not comply with the above conditions **you** will not be covered and **we** will not pay **your** claim.

We will not pay **you** under this cover for

- 1** any amount recovered from the tenant or legally recoverable from the tenant whether recovered or not
- 2** damage occurring
 - a** where the tenancy agreement is for 90 days or less
 - b** while the **building** is **empty**
- 3** damage caused by
 - a** chewing, scratching, tearing or fouling by domestic pets
 - b** **your** employees
- 4** the **excess** detailed in **your** schedule.

The most **we** will pay in any one **period of insurance** under this cover is £5,000.

Temporary removal cover

We will pay up to 10% of the sum insured whilst **landlord's contents** are temporarily removed from or in transit to or from the **property** for cleaning, renovation, repair or other similar purposes, but remaining in the **policy territories** excluding property insured elsewhere.

Theft from outbuildings cover

We will pay **you** for theft or attempted theft of **landlord's contents** from outbuildings excluding the **excess** detailed in **your** schedule.

The most **we** will pay for any one claim under this cover is £2,500.

x What is not covered

Aircraft or aerial devices exclusion

We will not cover damage caused by or consisting of pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

Date recognition exclusion

We will not cover damage directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date. But **we** will cover subsequent **damage** resulting from one of the insured causes **1** to **9**, which is not excluded elsewhere in the **policy**.

Electrical signs exclusion

We will not cover damage to any electrical sign or its installation.

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**; or
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from causes **1** to **9** covered by this section, except for loss, destruction or damage caused by malicious persons other than thieves.

Excess exclusion

We will not cover the **excess** detailed in **your** schedule.

Where a claim is covered under both the Buildings and Landlord's contents sections **you** will only be responsible for one **excess** amount detailed in **your** schedule.

Excluded property exclusion

We will not cover

- 1 trade stock and materials
- 2 bills of exchange, promissory notes, cash, bank and currency notes, securities, deeds, bonds or documents of any description
- 3 business books, plans, specifications, designs and computer records
- 4 jewellery, watches, furs, precious metals, precious stones or articles made from them
- 5 curios, works of art, antiques, sculptures, rare books or pictures where the value of any one article is more than £1,000
- 6 property more specifically insured elsewhere.

Fraud and dishonesty exclusion

We will not cover damage which results from acts of fraud or dishonesty by **you**, **your** employees or any other person who is responsible for **landlord's contents** or results from voluntarily parting with title or possession of any **landlord's contents** as a result of a fraudulent scheme, trick, device or false claim. But we will cover subsequent **damage** which itself results from an insured cause covered elsewhere in this section.

Glass and sanitaryware exclusion

We will not cover damage to glass and sanitaryware other than when caused by fire, lightning or explosion or resulting salvage operations.

Illegal activities exclusion

We will not cover damage caused by **property** being used, by **you** or any occupants, for illegal activities other than for **damage** covered by the Illegal cultivation of drugs cover under the Buildings section of this **policy**.

Pollution or contamination exclusion

We will not cover damage caused by pollution or contamination except (unless excluded elsewhere) **damage** to property caused by

- 1 pollution or contamination which itself results from causes **1** to **9**
- 2 any of causes **1** to **9** which itself results from pollution or contamination.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any **landlord's contents**, or any consequential loss directly or indirectly caused by or contributed to by or arising from

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

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1 For England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.
- 2 For Northern Ireland
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c riot, civil commotion and (except for **damage** or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder shall remain in full force and effect.

In any action, law suit or other proceedings or where **we** state that any loss, **damage**, cost or expense is not covered by this section it will be **your**

responsibility to prove that they are covered.

Unexplained loss exclusion

We will not cover damage caused by or consisting of disappearance, unexplained or inventory shortage, misfiling or misplacing of information.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Average condition

If at the time of **damage** the sum insured is less than the value of the **landlord's contents** insured, the amount **we** will pay will be reduced proportionately.

Contribution and average condition

If, at the time of the claim, there is any other policy covering the same **landlord's contents**, **we** will only be responsible for **our** proportionate share.

If any other policy is subject to any average (under insurance) condition this **policy**, if not already subject to average, will be subject to average in the same way as the other insurance.

If any other policy has a condition that prevents it from paying its share, **our** share of the claim will be limited to the proportion that the sum insured bears to the value of the property insured.

Reinstatement condition

If any property insured by this section is to be reinstated or replaced by **us**, then **you** should at **your** own expense provide all the plans, documents, books and information that may be needed. **We** will not be required to reinstate the property exactly but only as circumstances permit and in a reasonable manner. **We** will not pay more than the sum insured for any one premises.

Legal expenses section

Contents of this section

Important information	65
Meanings of defined terms	66
What is covered	68
What is not covered – A	69
What is not covered – B	70
Section conditions	72

You schedule will show if this section is covered.

Important information

This insurance is administered by **Arc**.

Legal helpline

You can use the helpline service to discuss any problem occurring under this **policy** within the **policy territories**.

Specialist lawyers are at hand to help **you**. If **you** need a lawyer to act for **you** and **your** problem is covered under this insurance, the advice line will ask **you** to complete a claim form. If **your** problem is not covered under this insurance, the advice line may be able to offer **you** assistance under a private funding arrangement. If **you** are in doubt whether a matter constitutes a notifiable claim or circumstance, **you** should contact the legal advice line for assistance.

Simply telephone 0333 005 0355 and quote “AXA Commercial”.

To maintain an accurate record **your** telephone call may be recorded.

Claim forms can also be obtained from: www.arclegal.co.uk/informationcentre/index.php

In the event of a valid claim under this insurance, **Arc** will appoint its panel solicitors, or their agents, to handle **your** case. **You** are not covered for any other legal representatives’ fees unless court proceedings are issued or a conflict of interest arises.

Claims must be reported to **Arc** within 180 days of the **insured incident** other than in relation to Tenant eviction, where claims must be submitted within 45 days of the **insured incident**. Notification will only be deemed to have been made upon receipt by **Arc** of a fully completed claim form accompanied with all requested supporting documentation.

The claim will be assessed and if accepted and deemed appropriate, an Enquiry Agent will visit the **tenant** and any **guarantor**. If the Enquiry Agent is unable to reach an agreement with the **tenant/guarantor** to remedy his failure to perform his obligations under the **tenancy agreement**, **our** panel solicitors or their agents will be appointed to act for **you**.

In addition, please see the Claims notification condition within this section.

Meanings of defined terms

You can find the meanings for words in bold blue on page 6. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Adviser

Arc's panel solicitor, their agents, or other appropriately qualified person, firm or company appointed by **Arc** to act for **you**.

Advisers' costs

Reasonable legal fees incurred by the **adviser** up to the hourly rate shown in **Arc's** fee scale ruling at the time the **adviser** is instructed and disbursements essential to **your** case. Legal costs shall be assessed on the standard basis and third party's costs shall be covered if awarded against **you** and paid on the standard basis of assessment.

Arc

Arc Legal Assistance Limited who administer claims under this insurance on **our** behalf.

Data Protection Legislation

The relevant Data Protection Legislation in force in the United Kingdom at the time of the **insured incident**.

Deposit

The sum of money collected from the **tenant** in accordance with Section 213 of the Housing Act 2004 (and any amending legislation) in respect of a **tenancy agreement** to which it applies. This sum is held by **you** or **your** agent as an indemnity for losses incurred by **you**, arising from the **tenant** failing to perform his obligations set out in the **tenancy agreement**. A minimum amount equal to one month's **rent** must be retained as the deposit.

Dilapidations inventory

A full and detailed inventory of **your** contents and their condition within the **property** which has been signed by the **tenant**.

Guarantor

The individual or organisation assigned to the **tenancy agreement** that has received a **tenant reference** and provided a financial guarantee of the **tenant's** performance of his obligations under the **tenancy agreement**.

Insured incident

The incident or the first of a series of incidents which may lead to a claim under this insurance.

Only one insured incident shall be deemed to have arisen from all causes of action, incidents or events that are related by cause or time.

Limit of indemnity

The most **we** will pay under this section in respect of an **insured incident** are the limits shown in **your** schedule for

- 1 any one claim
- 2 all claims notified during the **period of insurance**.

Proceedings

The pursuit of civil legal cases for damages or injunctions and the defence of criminal prosecutions.

Rent

The monthly amount payable by the **tenant** to **you** as set out in the **tenancy agreement**.

Tenant

The occupier of the **property** named in the **tenancy agreement** as the tenant who has received a **tenant reference**.

Tenancy agreement

A tenancy agreement between **you** and the **tenant** in relation to the **property** which is:

- 1 an Assured Shorthold Tenancy Agreement as defined within the Housing Act 1988 (as amended) or its equivalent outside of England and Wales but within the **policy territories**, or
- 2 a Company Residential Tenancy (Company Let) created after 28th February 1997 where the **tenant** is a public limited company (plc) or limited company (Ltd) or its equivalent outside of England and Wales but within the **policy territories** and the **property** is let purely for residential purposes of the **tenant's** employees and their family, or
- 3 a written common law residential Tenancy Agreement created after 28th February 1997 between individuals where the **rent** is in excess of £100,000 per annum or its equivalent outside of England and Wales but within the **policy territories**, and which is:
 - a appropriate for the tenancy; and
 - b where relevant, signed and independently witnessed by **you**, the **tenant(s)** and if required as a condition of the **tenant reference**, the **guarantor**; and

- c free from any unreasonably restrictive covenants.

If the tenancy agreement is for a commercial **tenant** it must be compliant with the Landlord and Tenant Act 1954 (Part 2).

Tenant reference

For residential **tenants**

A credit check against the **tenant** and any **guarantor** obtained from a licensed credit referencing company showing no County Court Judgments in the past three years and no outstanding County Court Judgments, together with copies of two forms of identification, one of which must contain a photograph, and a written employer's reference on company letter headed paper confirming their permanent and current employment and that their gross monthly salary is at least a multiple of 2.5 of the **tenant's rent**. If all of the above are not available, a full tenant reference showing a Pass on the **tenant** and **guarantor** must be obtained from **Arc's** approved Tenant Referencing Company.

For commercial **tenants**

A full comprehensive referencing check showing a pass on the **tenant** and **guarantor** must be obtained from one of **Arc's** approved tenant referencing companies.

Details of these companies are available at: www.arclegal.co.uk/informationcentre/index.php.

You/your

The individual or organisation shown in the schedule as the insured and defined in the **tenancy agreement** as the 'Landlord' who has paid the premium and been declared to **us**. If you die your personal representatives will be covered to pursue cases covered by this insurance on your behalf that arose prior to your death.

✓ What is covered

You are covered for **advisers' costs** up to the **limit of indemnity** where:

- 1 The **insured incident** takes place within the **period of insurance** and within the **policy territories**.
- 2 The **proceedings** take place within the **policy territories**.

Criminal prosecution cover

You are covered for **advisers' costs** to defend Criminal prosecutions brought against **you** in relation to the **property** under:

- 1 The Gas Safety (Installation and Use) Regulations 1994
- 2 The Furniture and Furnishings (Fire) (Safety) Amendments Regulations 1993
- 3 The Electrical Equipment (Safety) Regulations 1994

and later amending regulations or their equivalent outside of England and Wales but within the **policy territories**.

Property infringement cover

You are covered for **advisers' costs** to bring **proceedings** for nuisance or trespass against the person or organisation infringing **your** legal rights in relation to the **property**.

Tenant eviction cover

You are covered for **advisers' costs** to pursue eviction **proceedings** against a **tenant** or **guarantor** to recover possession of the **property** where the **tenant** fails to perform his obligations set out in the **tenancy agreement** relating to the rightful occupation of the **property**.

x What is not covered – A

Criminal prosecution exclusion

You are not covered for claims

- 1 arising from something **you** have done, knowing it to be wrongful or ignoring that possibility
- 2 unless **you** have taken all reasonable steps to comply with:
 - a The Gas Safety (Installation and Use) Regulations 1994
 - b The Furniture and Furnishings (Fire) (Safety) Amendments Regulations 1993
 - c The Electrical Equipment (Safety) Regulations 1994

and later amending regulations or their equivalent outside of England and Wales but within the **policy territories**.

Property infringement exclusion

You are not covered for claims

- 1 arising from a dispute relating to a **tenancy agreement** or any other lease or licence to occupy property or land
- 2 where the **insured incident** occurs within the first 180 days of the commencement of this section unless **you** had continuous previous insurance cover in place.

Tenant eviction exclusion

- 1 **You** are not covered for claims:
 - a where **you** fail to provide evidence that **you** successfully completed a **tenant reference** on the **tenant** (and **guarantor** if required) prior to the start of the **tenancy agreement** or where the **tenancy agreement** started more than 31 days after the **tenant reference**
 - b arising from or connected to **your** performance of **your** obligations under the **tenancy agreement**
 - c arising from dilapidations unless the missing or damaged items were contained within a **dilapidations inventory**
 - d falling within the jurisdiction of the Rent Assessment Committee, the Lands Tribunal or the Leasehold Valuation Tribunal or their equivalent outside of England and Wales but within the **policy territories**

- e relating to the payment or non-payment of service charges as defined within the Landlord And Tenant Act 1985 (as amended) or any equivalent Act outside of England and Wales but within the **policy territories**
 - f where the **tenant** is not aged 18 years or over
 - g where **you** have allowed the **tenant** into possession of the **property** before the **tenancy agreement** has been signed by all parties, a **tenant reference** has been obtained, the first month's **rent** and the **deposit** have been received in cash or cleared funds and the **dilapidations inventory** has been signed by the **tenant**
 - h where **you** have failed to keep full and up to date rental records or have allowed the **tenancy agreement** to be transferred to any other individual or organisation unless all other terms of the insurance have been complied with
 - i if **you** or **your** agent gave any false or misleading information when **you** applied for the **tenant reference**
 - j where the **tenant** received a **tenant reference** subject to a **guarantor** and the **guarantor** was not correctly assigned to the **tenancy agreement**
 - k where **you** are in breach of any rules, regulations or acts of parliament relating to the **deposit**
 - l in relation to dilapidations by the **tenant** to the **property** or its contents where **you** have a policy of insurance that covers the dilapidations
 - m relating to any occupant of the **property** over the age of 18, other than the **tenant**
 - n where **advisers' costs** have been incurred as a result of **your** failure to follow the advice of the **adviser** or arising from **your** failure to take any action recommended by **Arc** or the **adviser** to recover possession of the **property** as promptly as possible.
- 2 **You** are not covered for the **excess** shown in **your** schedule.

x What is not covered – B

The following exclusions apply to all or any parts of the cover under this section

- 1 **You** are not covered for claims
- a where the **insured incident** occurs within the first 90 days of the commencement of this section, other than in relation to Property infringement cover, where the **tenancy agreement** was in force prior to the commencement of this insurance unless **you** had continuous previous insurance cover in place
 - b where **your** act, omission or delay prejudices **your** or **our** position in connection with the **proceedings** or prolongs the length of the claim

Legal expenses section *continued*

- c** arising from a dispute between **you** and **your** agent or mortgage lender
 - d** where the **insured incident** began to occur or had occurred before **you** purchased this section of insurance
 - e** where **you** should reasonably have realised when purchasing or renewing this section of insurance that a claim under this section of insurance might occur
 - f** where **your** act or omission prejudices **your** or **our** position in connection with the **proceedings**
 - g** where **advisers' costs** have not been agreed in advance or are above those for which **Arc** have given their prior written approval
 - h** for **advisers' costs** incurred in avoidable correspondence or which are recoverable from a court, tribunal or other party
 - i** for damages, interest, fines or costs awarded in criminal courts
 - j** where **you** have other legal expenses insurance cover
 - k** for claims made by or against the **adviser** or **Arc**
 - l** for appeals without the prior written consent of **Arc**
 - m** prior to the issue of court proceedings or unless a conflict of interest arises, for the costs of any legal representative other than those of the **adviser**
 - n** where a reasonable estimate of **your advisers' costs** of acting for **you** is more than the amount in dispute
 - o** where **you** commit, or are alleged to have committed, a criminal offence, or **you** are liable to a civil penalty unless this **policy** expressly covers **you** in the event of such offence or penalty.
- 2 You** are not covered for claims arising out of or in connection with
- a** Works undertaken or to be undertaken by or under the order of any government or public or local authority.
 - b** Planning law.
 - c** The construction of or structural alteration to buildings.
 - d** Defamation or malicious falsehood.
 - e** Divorce, matrimonial matters or **proceedings** including ancillary relief, parental responsibility and contact, or affiliation.
 - f** Any venture for gain or business project of **yours** other than in relation to **your** activities as a Landlord.
 - g** A dispute between persons insured under this **policy**.
 - h** An application for Judicial Review.
 - i** A novel point of law.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Claims notification condition

- 1 **You** must report claims as soon as reasonably possible within 180 days of the **insured incident** other than in relation to Tenant eviction cover where claims must be submitted within 45 days of the **insured incident**. Notification will only be deemed to have been made upon receipt by **Arc** or a fully completed claim form with all requested supporting documentation.
- 2 If **rent** is overdue the **tenant** and any **guarantor** must be contacted within seven days to establish the reason for the default. If the **rent** is not paid within a further seven days the **tenant** and any **guarantor** must be contacted again. If the **tenant/guarantor** cannot be contacted, and it is lawful to do so, **you** or **your** agent must serve notice

of a requirement to undertake an inspection in accordance with **your** rights within the **tenancy agreement** and visit the **property**. **You** should seek legal advice if **you** are unsure that such an inspection is lawful.

- 3 **You** and **your** agent must act promptly to gain vacant possession of the **property** and recover **rent** arrears.
- 4 In the event of a claim **you** or **your** agent must prepare a detailed schedule of dilapidations as soon as reasonably possible after the **tenant** has vacated the **property**.
- 5 **You** and/or **your** agent must attend any court hearing in relation to an **insured incident** if requested to do so by **Arc** or the **adviser**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Claim procedures condition

- 1 **Arc** may investigate the claim and take over and conduct the proceedings in **your** name. Subject to **your** consent which shall not be unreasonably withheld **Arc** may reach a settlement of the **proceedings**.
- 2 **Arc** have the right under subrogation to pursue **proceedings** against the **tenant** or any **guarantor** to recover **advisers' costs**.
- 3 **You** must supply at **your** own expense all of the information which **Arc** reasonably require to decide whether a claim may be accepted. If court proceedings are required and **you**

wish to nominate an alternative **adviser** to act for **you**, **you** may do so. The **adviser** must represent **you** in accordance with **Arc's** standard conditions of appointment which are available on request.

- 4 The **adviser** will:
 - a provide a detailed view of **your** prospects of success including the prospects of enforcing any judgment obtained
 - b keep **Arc** fully advised of all developments and provide such information as **we** may require
 - c keep **Arc** regularly updated of **advisers' costs** incurred
 - d advise **Arc** of any offers to settle and payments in to court. If contrary to **Arc's** advice such offers or payments are not accepted there shall be no further cover for **advisers' costs** unless **Arc** agree in **Arc's** absolute discretion to allow the case to proceed
 - e submit bills for assessment or certification by the appropriate body if requested by **Arc**
 - f attempt recovery of costs from third parties.
- 5 In the event of a dispute arising as to **advisers' costs**, **Arc** may require **you** to change **adviser**.
- 6 **We** shall only be liable for costs for work expressly authorised by **Arc** in writing and undertaken while there are reasonable prospects of success.

- 7 **You** shall supply all information requested by the **adviser** and **Arc**.
- 8 **You** are liable for any **advisers' costs** if **you** withdraw from the **proceedings** without **Arc's** prior consent. Any costs already paid by **Arc** will be reimbursed by **you**.
- 9 Any monies recovered from the **tenant** or **guarantor** will be retained by **Arc** to pay for any **advisers' costs** that has been paid by **us** under this insurance.

Data protection condition

You agree that any information provided to **us** regarding the **insured persons**, will be processed by **us** or the **administrator** in compliance with the provisions of **Data Protection Legislation** for the purposes of providing insurance and handling claim(s), if any, which may necessitate providing such information to third parties.

Disputes condition

Any dispute between **you** and **Arc**, where both agree, may be referred to an arbitrator who will be either a solicitor or a barrister. If the parties cannot agree on their choice of arbitrator the Law Society may be asked to make a nomination. The arbitration will be binding and carried out under the Arbitration Act. The costs of the arbitration will be at the discretion of the arbitrator.

Language condition

The language for contractual terms and communication will be English.

Reasonable prospects condition

At any time **Arc** may form the view that **you** do not have a more than 50% chance of success in the action **you** are proposing to take or are taking. If so, **we** may decline support or any further support. In forming this view **Arc** may take into account:

- 1 The amount of money at stake.
- 2 The fact that a reasonable person without legal costs insurance would not wish to pursue the matter.
- 3 The prospects of winning the case.
- 4 The prospects of being able to enforce a judgment.
- 5 The fact that **your** interests could be better achieved in another way.

Making a complaint

AXA Insurance aims to provide the highest standard of service to every customer. If **our** service does not meet **your** expectations, **we** want to hear about it so **we** can try to put things right.

All complaints **we** receive are taken seriously. Following the steps below will help **us** understand **your** concerns and give **you** a fair response.

How to make your complaint

The majority of complaints can be resolved quickly and satisfactorily by the department **you** are dealing with.

If **your** complaint relates to a claim on **your policy**, please contact the department dealing with **your** claim. If **your** complaint relates to anything else please contact the agent or AXA office where **your policy** was purchased. Telephone contact is often the most effective way to resolve complaints quickly.

Alternatively **you** can write to **us** at

AXA Insurance complaints:



AXA Insurance
Commercial complaints
AXA House
4 Parklands
Lostock
Bolton
BL6 4SD

All claims complaints:



Tel: **01204 815359**



Email: **commercial.complaints@
axa-insurance.
co.uk**

When **you** make contact please tell **us** the following information:

- Name, address and postcode, telephone number and email address (if **you** have one).
- **Your** policy and/or claim number, and the type of policy **you** hold.
- The name of **your** insurance agent/firm (if applicable).
- The reason for **your** complaint.

Any written correspondence should be headed 'COMPLAINT' and **you** may include copies of supporting material.

Beyond AXA

Should **you** remain dissatisfied following **our** final written response, **you** may be eligible to refer **your** case to the Financial Ombudsman Service (FOS).

The FOS is an independent body that arbitrates on complaints about general insurance products. The FOS can only consider **your** complaint if **we** have given **you our** final decision.

Making a complaint *continued*

You have six months from the date of **our** final response to refer **your** complaint to the FOS. This does not affect **your** right to take legal action.

The Financial Ombudsman Service



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



Telephone:
0800 023 4567*
or **0300 123 9123****

Fax: **020 7964 1001**



Email: **complaint.info@
financial-ombudsman.
org.uk**

Website:
**www.financial-
ombudsman.org.uk**

- Do everything possible to resolve **your** complaint.
- Learn from **our** mistakes.
- Use the information from complaints to continuously improve **our** service.

Telephone calls may be recorded and monitored.

Financial Services Compensation Scheme (FSCS)

AXA Insurance UK plc are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the scheme in the unlikely event **we** cannot meet **our** obligations to **you**. This depends on the type of insurance, size of the business and the circumstances of the claim. Further information about the compensation scheme arrangements is available from the FSCS (www.fscs.org.uk).

Our promise to you

We will

- Acknowledge written complaints promptly.
- Investigate **your** complaint quickly and thoroughly.
- Keep **you** informed of progress of **your** complaint.

* free for people phoning from a 'fixed line' (for example, a landline at home)

** free for mobile phone users who pay a monthly charge for calls to numbers starting 01 or 02

Legal and tax advice or emergency helplines or Legal expenses services complaints

If **you** have a complaint about the legal and tax advice or emergency helplines or the Legal expenses services **you** should contact Arc Legal Assistance Ltd:

Arc Legal Assistance Ltd



The Gatehouse, Lodge Park
Lodge Lane
Colchester
Essex
CO4 5NE



Telephone:
01206 615000

You can also refer to the Financial Ombudsman Service (FOS) as stated on page 76 if **you** cannot settle **your** complaint with **Arc** or before they have investigated the complaint if both parties agree.

Arc are also covered by the Financial Services Compensation Scheme (FSCS).

This document is available in other formats.

If you would like a Braille, large print or audio version, please contact your insurance adviser.

www.axa.co.uk