

Residential & Commercial Property Owner

Policy booklet



Underwritten by
Liverpool Victoria Insurance Company Limited



Welcome to Policyfast

Welcome to your new Property Owners policy exclusively arranged through Policyfast Limited. This policy forms part of your legal contract with us and defines what exactly your Property Owners policy covers you against. Please refer to your schedule of cover for confirmation of the level of cover you have chosen.

Introduction

Thank you for choosing to purchase an LV= Insurance policy.

Founded in 1843 Liverpool Victoria, which also trades as LV=, is the UK's largest friendly society and together with its subsidiaries is a major provider of insurance and financial services products.

As a friendly society and mutual, LV= exists wholly for the benefit of its members. We have no shareholders taking a share of our profits. Instead we invest our profits in making our products competitive and delivering an outstanding customer service.

Our claims service goes the extra mile. Committed to doing the right thing for policyholders we aim to settle claims quickly, even in the most difficult of circumstances.

If you would like to learn more about LV= please visit our website at: www.LV.com/commercial

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Property Owners' Insurance Policy

Liverpool Victoria Insurance Company Limited (the **Insurer**) will provide the insurance described in the Policy subject to its terms and conditions for the Period of Insurance stated in the Schedule and any subsequent period for which the **Insured** shall pay and the **Insurer** shall agree to accept the premium. Any information supplied by or on behalf of the **Insured** shall be incorporated in the contract.

The Policy the Schedule the Statement of Fact and any endorsements shall be read together as one contract. Any word or expression to which a specific meaning has been given shall have that meaning wherever it appears.

Statement of Fact and Schedule

The Statement of Fact and Schedule form the basis of the legal contract between the **Insured** and the **Insurer**. It is therefore essential that the Statement of Fact and Schedule are accurate and true to the best of the **Insured's** knowledge and belief. If the Statement of Fact and/or Schedule are inaccurate or untrue it may affect the **Insured's** rights under the Policy.

The **Insured** is not required to sign the Statement of Fact but should read it carefully and confirm that all the information contained within it and the Schedule is correct.

If the Statement of Fact and/or Schedule are incorrect you should notify the Broker, Intermediary or Agent who arranged the Policy immediately and obtain a revised Statement of Fact and/or Schedule with the revisions required. You must ensure that all documentation in your possession is accurate.

The Policy has been signed on behalf of
Liverpool Victoria Insurance Company Limited.



John O'Roarke
Managing Director
**Liverpool Victoria Insurance Company
Limited**

Definitions

Building(s)

The Building or Buildings at the risk address(es)
stated in the Schedule including

- a) outbuildings attached to or detached from
the main Building
- b) walls gates and fences around the Buildings
and belonging to them
- c) **Landlord's Fixtures and Fittings**
- d) car parks yards paved areas roads pavements
and footpaths

all belonging to the **Insured** or for which the
Insured is legally responsible.

Business

The Business specified in the Schedule
conducted solely from within the **Territorial
Limits** including the ownership repair and
maintenance of the **Premises** including the
provision of first aid but excluding any first aid
provided by any qualified medical practitioner or
nurse.

Computer

All equipment including interconnected wiring
fixed disks and telecommunications equipment
used at the **Premises** for the storage and
communication of electronically processed data
but excluding any such equipment controlling
any manufacturing process belonging to the
Insured or leased hired or rented to the **Insured**
and for which the **Insured** is legally responsible.

Computer Records

All current and backup Computer Records
excluding fixed disks and paper records of any
description incorporating stored programs and
information stored on them belonging to the
Insured or leased hired or rented to the **Insured**
and for which the **Insured** is legally responsible.

Consequential Loss

Loss resulting from interruption or interference
with the **Business** carried on by the **Insured** at
the **Premises** in consequence of **Damage**.

Damage

Loss destruction of or damage to the **Property**
insured.

Declared Value

The **Insured's** assessment of the cost of
reinstatement of the **Property** insured at the
level of costs applying at the inception of the
Period of Insurance including the extent to which
indemnity is provided for

- a) the additional cost of reinstatement to
comply with Public Authority requirements
- b) professional fees
- c) removal of debris costs
ignoring inflationary factors which may operate
subsequently

Denial of Service Attack

Any actions or instructions constructed or
generated with the ability to damage interfere with
or otherwise affect the availability of networks
network services network connectivity or
information systems including but not limited to the
generation of excess traffic into network addresses
the exploitation of system or network weaknesses
and the generation of excess or nongenuine traffic
between and amongst networks.

Employee

- a) Any person under a contract of service or
apprenticeship with the **Insured** or
- b) any of the following persons whilst working
for the **Insured** in connection with the
Business
 - i. any labour master or labour only
subcontractor or person supplied by them
 - ii. any self-employed person providing
labour only
 - iii. any trainee or person undergoing work
experience
 - iv. any voluntary helper
 - v. any person who is hired to or borrowed by
the **Insured**.

Excess

The amount for which the **Insured** is responsible
for each and every claim or loss as specified in
the Schedule or in the Policy.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether the property of the **Insured** or not.

Indemnity Period

The period beginning with the occurrence of the **Damage** and ending not later than the **Maximum Indemnity Period**, as stated in the Schedule, afterwards during which the results of the **Business** shall be affected in consequence of the **Damage**.

Injury

Bodily injury death illness or disease.

Insured

The person persons or company named in the Schedule including subsidiary companies notified to and agreed as accepted by the **Insurer**.

Insured Perils

Those Insured Perils which are operative unless stated in the Schedule subject always to the terms conditions and exclusions applying to the Insured Peril and of Section 1 and the Policy.

Insurer

Liverpool Victoria Insurance Company Limited.

Landlord's Contents

The **Contents** of the **Buildings** used in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally responsible including furniture carpets furnishings and all other **Property** belonging to the **Insured** or for which the **Insured** is responsible whilst contained in the common parts of the **Buildings** or parts of the **Buildings** under the direct control of the **Insured** including

- a) Landlord's Contents in the open subject to a maximum of £500 for any one loss
- b) Paintings prints and works of art subject to a maximum of £500 per item for any one loss
- c) **Money** subject to a maximum of £500 for any one loss

but excluding any more property more specifically insured and

a) Computers and Computer Records

- b) stock and materials in trade
- c) property belonging to any **Tenant** for which the **Insured** is not responsible

- d) credit cards securities of any description jewellery curiosities or rare books
- e) mobile devices where the sole or primary function of the item is to make send and receive telephone calls and SMS messages.

Landlords' Fixtures and Fittings

- a) built-in furniture and built-in domestic appliances
- b) fixed pipes tanks fires central heating equipment boilers or storage heaters

Legal Costs

All costs and expenses incurred with the prior written consent of the **Insurer** in addition to claimant's costs and expenses for which the **Insured** is legally liable.

Maximum Indemnity Period

The number of Months stated in the Schedule as applying to the **Indemnity Period**

Money

Cash bank currency notes cheques postal orders money orders unused postage stamps National Insurance stamps trading stamps luncheon vouchers credit company sales vouchers Value Added Tax purchase invoices lottery and other prize scratch cards utility vouchers top up cards mobile phone vouchers and International Phone Cards held in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally liable.

Offshore Installation

- a) any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b) any installation in the sea or tidal waters which is intended for the storage or recovery of gas or generation of electricity
- c) any pipe or system of pipes in the sea or tidal waters
- d) any accommodation Installation for persons who work on or from the locations specified above.

Pollution or Contamination

- a) all Pollution or Contamination of Buildings or other structures or of water or land or the atmosphere and
- b) all **Injury** loss or damage directly or indirectly caused by such Pollution or Contamination.

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

Premises

The **Buildings** and the land inside the boundaries at the risk address stated in the Schedule.

Principal

Any person firm company ministry or authority for whom the **Insured** is undertaking work.

Products Supplied

Any goods or other property including containers packaging labelling and instructions for use sold supplied delivered erected repaired serviced altered treated installed processed manufactured or tested by the **Insured** in connection with the

Business.

Property

Buildings Landlord's Contents and in respect of Section 1 of the Policy such other items to which cover is expressly extended in Section 1 of the Policy or Schedule.

The **Insurer** agrees to accept the classification under which any **Property** has been entered in the books of the **Insured**.

Rent Receivable

The money paid or payable to the **Insured** by **Tenants** for accommodation and services provided in the course of the **Business** at the **Premises**.

Solicitors' Fees

Solicitors' Fees for the representation of the **Insured** at any Coroner's Inquest or Fatal Accident Inquiry or at proceedings in any court of summary jurisdiction in respect of any occurrence which may be the subject of indemnity under Section 3.

Standard Rent Receivable

The **Rent Receivable** during the period immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

Tenant(s)

The tenant or lessee of any **Building**.

Territorial Limits

Great Britain Northern Ireland the Isle of Man or the Channel Islands

Terrorism

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.

Unoccupied

Any **Building** or part of any **Building** which is empty or not in use by the **Insured** or any **Tenant** of the **Insured** for more than 45 consecutive days.

Virus or Similar Mechanism

Program code programming instruction or set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not including but not limited to trojan horses worms and logic bombs.

General Conditions

1. Misrepresentation

The Policy shall be voidable by the **Insurer** in the event of material misrepresentation material misdescription or material non-disclosure.

In such circumstances the **Insurer** retains the right to keep the premium and to recover any sums paid by way of benefit under the Policy.

In the event that the **Insured** fails to disclose or misrepresents a material fact prior to inception of this insurance and the **Insurer** would be entitled to avoid this insurance the following clause shall apply except where any non-disclosure or misrepresentation by the **Insured** is proven by the **Insurer** to be

- a) fraudulent or
- b) of such other nature that if the material fact had been disclosed or had not been misrepresented the **Insurer** would not have underwritten this insurance.

The burden shall be on the **Insurer** to prove all matters set out in this clause.

For the purposes of this clause the acts omissions or knowledge of one **Insured** shall not be imputed to any other **Insured**.

If the **Insurer** would have underwritten this insurance on different terms (as to premium and/or otherwise) had the material fact been disclosed or not misrepresented the **Insurer** shall not be entitled to avoid this insurance but

- i. in the event the **Insurer** would have underwritten this insurance on different terms only as to the premium the **Insured** shall be liable for such additional premium as would have been charged had the material fact been disclosed or not been misrepresented
- ii. in the event that the **Insurer** would have underwritten this insurance on different terms in any respect other than in relation to the premium the **Insurer** in addition to any premium adjustment as per i. above shall be entitled to impose such terms on this insurance as would have been imposed at inception of this insurance if the material fact had been disclosed or had not been misrepresented by giving written notice of

the term to the **Insured**.

Subject to iii. and iv. any additional term(s) so notified shall take effect as if imposed from inception of this insurance

- iii. any additional term imposed under ii. above shall not apply to any claim which has been finally agreed by the **Insurer** (whether paid or not) prior to the date of the **Insurer's** written notification to the **Insured** of the additional term(s)
- iv. for any additional term imposed under ii. above which would have the effect if breached of cover under this insurance never attaching being suspended or being discharged (whether at the election of the **Insurer** or otherwise) the **Insurer** agrees in each such case to vary the remedy for breach of the term so that the **Insurer** shall be entitled only to decline any claim that does not fall within iii. above.

In the event that the **Insured** does not comply with any additional term(s) imposed as above within 30 days of receipt of the **Insurer's** written notification imposing the additional term(s) the **Insurer** shall be entitled after the expiry of the specified time period to impose with prospective effect only the remedy to which it would have been entitled but for this clause.

The **Insurer** agrees that no representation by the **Insured** shall be a term of any sort of this contract of insurance and that any provision in any other document to the effect that a statement or statements made by or on behalf of the **Insured** in such document form part of or are the basis of the contract of insurance shall be of no effect.

2. Reasonable Care

The **Insured** shall

- a) take all reasonable precautions to prevent or diminish loss destruction damage or injury
- b) take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority
- c) exercise care in the selection and supervision of **Employees**
- d) maintain all **Buildings** ways works machinery and plant in sound condition.

As soon as possible after discovery of any defect or danger the **Insured** shall cause such defect or

danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require.

3. Alteration

This Policy shall cease to be in force from the date of the alteration

- a) if any alteration is made either in the **Business** or at the **Premises** or to any **Property** insured after the commencement of the insurance that increases the risk of loss destruction damage or injury or
- b) if the **Insured's** interest ceases except by will or operation of law or
- c) if the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued

unless the **Insurer** has agreed in writing to accept such alteration.

4. Cancellation by the Insurer

The **Insurer** may cancel the Policy or any Section by giving 30 days' notice in writing by registered letter to the **Insured** at the **Insured's** last known address and in such event the **Insured** shall be entitled to a proportionate return of premium in respect of the unexpired term of the Policy or Section (other than in circumstances where the **Insurer** invokes General Condition 1 or General Claims Condition 3).

5. Payment of Premium

It is a condition precedent to the **Insurer's** liability that the premium for the Policy shall be paid when due.

If the premium for the Policy is payable by instalments it is a condition precedent to the **Insurer's** liability that each instalment shall be paid when due. If a payment is not made the **Insurer** may cancel the Policy from the date when any unpaid instalment was due.

6. Choice of Law

Both parties to this contract have a choice as to which law should be applied. In the absence of written agreement to the contrary English law applies to this contract.

7. Observance of Terms

It is a condition precedent to the **Insurer's** liability that the **Insured** shall observe the terms of the Policy so far as they relate to anything to be done or complied with.

8. Legal Representatives

In the event of the death of the **Insured** the **Insurer** will indemnify the **Insured's** legal personal representatives in respect of liability at law previously incurred by the **Insured** provided they observe fulfil and be subject to the terms conditions and limitations of the Policy to the extent that they can apply.

9. Third Party Rights

A person or company who is not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any clause or term of the Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

The **Insured** shall not assign or transfer their rights under the Policy without the written agreement of the **Insurer**.

10. Subject to Survey

If any insurance by the Policy either at

- a) inception of this Policy or
- b) subsequent renewal of this Policy has been granted subject to the completion of a survey or
- c) following notification of a claim under this Policy if the **Insurer** requires a survey of the **Premises**

the following conditions will apply

- i. pending completion of such survey the terms conditions exclusions and Limits as specified in the Policy and Schedule shall apply
- ii. following the completion of the survey if in the opinion of the **Insurer** the survey has identified additional risks which were not evident to the **Insurer** prior to the survey then the **Insurer** reserves the right to alter or amend the terms and conditions of the Policy or to suspend or withdraw cover immediately
- iii. continuance of cover after the survey by the **Insurer** shall be subject to the **Insured** complying with the **Insurer's** acceptance criteria and the completion of any risk improvements required within the time frame agreed with the **Insurer** otherwise the **Insurer** may at its option invoke the Cancellation Condition.

11. Limit of Indemnity

All the Sums Insured Limits of Indemnity and

any other restrictions on the amount of the **Insurer's** liability stated in the Policy shall apply as maximum limits to the **Insurer's** liability irrespective of the number of persons entitled to indemnity under the Policy.

For the purposes of the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurer's** liability the **Insured** and all other persons entitled to be indemnified under the Policy shall be treated as one party or legal entity so that there shall be only a single contract of insurance between the **Insurer** as one party and the **Insured** and all other persons entitled to be indemnified as the other party.

12. Insured's Contribution

Where stated in the Schedule the **Insured** shall be responsible for paying an **Excess** in relation to each claim made by the **Insured** under the Policy.

13. Unoccupied Buildings

It is a condition precedent to the **Insurer's** liability that when any **Building** or portion thereof becomes **Unoccupied**

- a) the **Insured** must give immediate notice in writing to the **Insurer** of such unoccupancy and when any **Building** or portion thereof becomes re-occupied
- b) the **Insured** or their authorised representative will
 - i. ensure all the main services are turned off or disconnected
 - ii. carry out a thorough inspection of the **Premises** on at least a weekly basis and carry out immediately any work necessary to maintain the security of the **Premises**
 - iii. remove all refuse and waste materials from the **Premises** following such inspection
 - iv. maintain a written record of such inspections
 - v. ensure the **Premises** are secured against unlawful entry.

General Exclusions

The Policy does not cover

1. War Government Action Radioactive Contamination and Sonic Bangs

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

- a) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- b) nationalisation confiscation requisition seizure or destruction by the government or any public authority
- c) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- d) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- e) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

2. Terrorism and Civil Commotion

Damage to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed to by or arising from

- a) **Terrorism**
- b) civil commotion in Northern Ireland.

In any action suit or other proceedings where the **Insurer** alleges that by reason of this Exclusion as far as it relates to **Terrorism** any **Damage** or resulting loss or expense or **Consequential Loss** is not covered by the Policy the burden of proving that such **Damage** loss expense or **Consequential Loss** is covered shall be upon the **Insured**.

3. Date Recognition

Damage or **Consequential Loss** of whatsoever nature or liability for damages attaching to the **Insured** or any associated costs relating thereto arising directly or indirectly from or consisting of the failure or inability of any

- a) computer data processing equipment microchip

- integrated circuit or any similar device or any computer software or computer firmware
- b) media or systems used in connection with any of the above

whether the property of the **Insured** or not

- i. to recognise correctly any date as its true calendar date
- ii. to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date

but in respect of Section 1 and Section 2 this shall not exclude subsequent **Damage** not otherwise excluded which itself results from the **Insured Perils**.

4. Marine Policies

Damage to Property which at the time of the happening of the **Damage** is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this Policy not been effected.

5. Computer Virus

Damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the **Insured** or not where such damage is caused by **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack** or **Consequential Loss** directly or indirectly caused by or arising from **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack**.

6. Illegal Deliberate and Criminal Activities

Damage or **Consequential Loss** of whatsoever nature or liability for damages attaching to the **Insured** or any associated costs relating thereto arising directly or indirectly from

- a) damage or liability caused as a result of the **Premises** being used for illegal activities
- b) deliberate or criminal acts

by the **Insured** the **Insured's** family or **Employee(s)**.

Section 1 - Material Damage

In the event of **Damage to Property** insured at the **Premises** from an **Insured Peril** during the Period of Insurance the **Insurer** will indemnify the **Insured** for the loss or amount of **Damage** or at its option replace or reinstate such **Property** in accordance with the provisions of the Policy and provided that during the Period of Insurance the liability of the **Insurer** under this Section shall not exceed the lesser of

- a) in respect of any item its Sum Insured or Limit stated in the Policy or the Schedule at the time of the **Damage**
- b) the Sum Insured or Limit remaining after deduction for any other **Damage** in the same Period of Insurance unless the **Insurer** has agreed to reinstate any such Sum Insured or Limit.

Insured Perils

The following are the **Insured Perils** operative unless stated in the Schedule

1. Fire.
Excluding **Damage** caused by
 - a) its own spontaneous fermentation or heating or its undergoing any heating process or any process involving the application of heat
 - b) explosion resulting from fire.
2. Lightning.
3. Explosion.

Excluding **Damage** caused by the bursting by steam pressure of a boiler economiser or other vessel machine or apparatus in which internal pressure is due to steam only belonging to or under the control of the **Insured**.

However this exclusion does not apply to **Damage** caused by the explosion of any boiler or gas used only for domestic purposes.

4. Aircraft or other aerial devices or articles dropped from them.
5. Earthquake and subterranean fire.
6. Riot civil commotion strikers locked out workers persons taking part in labour disturbances or malicious persons.

Excluding **Damage**

- a) arising from cessation of work or due

- to confiscation nationalisation seizure requisition or destruction by order of the government or any public authority
- b) by theft or attempted theft
 - c) whilst any **Building is Unoccupied**
 - d) caused by a **Tenant** or their family occupying the **Building** or portion of any **Building** for residential purposes.
7. Theft or attempted theft involving entry to or exit from the **Buildings** at the **Premises** by forcible and violent or actual or threatened hold up assault or violence.
Excluding
- a) loss from any structure which is incapable of being locked
 - b) **Damage**
 - i. in respect of **Property** in the open
 - ii. whilst any **Building is Unoccupied**
 - iii. expedited or in any way brought about by the **Insured** or any partner director or **Employee** of the **Insured**
 - iv. caused by a **Tenant** or their family occupying the **Building** or portion of any **Building** for residential purposes.
8. Storm.
Excluding **Damage**
- a) caused by frost subsidence ground heave or landslip
 - b) attributable solely to change in the water table level
 - c) to fences gates and moveable **Property** in the open or in open fronted or open sided **Buildings**
 - d) whilst any **Building is Unoccupied**.
9. Flood.
Excluding **Damage**
- a) caused by frost subsidence ground heave or landslip
 - b) attributable solely to change in the water table level
 - c) to fences gates and moveable **Property** in the open or in open fronted or open sided **Buildings**
 - d) whilst any **Building is Unoccupied**.
10. Impact by
- a) any road vehicles or animals
 - b) falling trees or boughs
 - c) breakage or collapse of aerials or satellite dishes.
Excluding **Damage** by lopping pruning or felling of trees.
11. Escape of water from any tank apparatus or pipe or escape of oil from any fixed oil-fired heating installation.
Excluding **Damage**
- a) by water discharged or leaking from any automatic sprinkler installation
 - b) whilst any **Building is Unoccupied**
 - c) caused by subsidence ground heave or landslip.
12. Accidental escape of water from any automatic sprinkler installation.
Excluding **Damage** occasioned by or attributable to
- a) heat caused by fire
 - b) any **Building** being **Unoccupied**
 - c) repairs alterations or extensions to the **Buildings** and/or sprinkler installations.
13. Accidental damage
Excluding **Damage**
- a) caused by any other **Insured Peril**
 - b) to a **Building** or structure caused by its own collapse or cracking
 - c) to **Property** insured caused by **Pollution or Contamination** other than **Damage** caused by
 - i. **Pollution or Contamination** which itself results from an **Insured Peril**
 - ii. an **Insured Peril** which itself results from **Pollution or Contamination**
 - d) to **Property** resulting from its undergoing any process of production packing treatment testing commissioning servicing adjustment or repair
 - e) to **Property** insured caused by or consisting of
 - i. inherent vice latent defect gradual deterioration wear and tear frost or change in water table level
 - ii. its own faulty or defective design or materials
 - iii. faulty or defective workmanship operational error or omission on the part of the **Insured** or any of their **Employees**

but this shall not exclude subsequent **Damage** which results from a cause not otherwise excluded

- f) caused by
 - i. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching
 - ii. scratching tearing or fouling by pets or domesticated animals
 - iii. vermin or insects
 - iv. change in temperature colour flavour texture or finish
 - v. joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping connected to them
 - vi. mechanical or electrical breakdown or derangement in respect of the particular machines apparatus or equipment in which the breakdown or derangement originates overrunning or electrical surges or spikes in electricity

but this shall not exclude such **Damage** not otherwise excluded which itself results from any other accidental damage or subsequent **Damage** which itself results from a cause not otherwise excluded

- g) caused by disappearance unexplained or inventory shortage misfiling or misplacing of information
- h) caused by acts of fraud or dishonesty
- i) occasioned by delay embargo nationalisation confiscation requisition seizure or destruction by the government or any public authority
- j) caused by electrical or magnetic disturbance or erasure of electronic records.

14. Subsidence ground heave or landslip.

Excluding **Damage**

- a) to outbuildings yards pipes cables wires ducting car parks roads pavements walls gates fences swimming pools tennis courts and children's play areas

unless the structure of the main building or buildings at the risk address stated in the Schedule is also affected at the same time by the same cause

- b) to solid floor slabs or **Damage** resulting from their movement unless the foundations beneath the outside walls of the main building or buildings at the risk address stated in the Schedule are also affected at the same time by the same cause
- c) arising from the settlement or movement of made-up ground or by coastal or river erosion
- d) occurring as a result of the construction demolition structural alteration or structural repair of any property at the **Premises**
- e) arising from normal settlement or bedding down of new structures
- f) which originated prior to the granting of this cover
- g) caused by faulty or defective workmanship materials or design
- h) caused by fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe or the escape of oil from any fixed oil-fired heating installation
- i) recoverable under any warranty or guarantee including NHBC guarantee.

Additional Covers

All terms exclusions and conditions of Section 1 apply to these Additional Covers in addition to those shown below as applying to each of the Additional Covers.

Glass

The **Insurer** will indemnify the **Insured** in respect of **Damage** to glass for which the **Insured** is responsible at the **Premises** occurring during the Period of Insurance.

Following **Damage** to glass at the **Premises** the **Insurer** will also indemnify the **Insured** in respect of

- a) the reasonable cost of reinstating any component parts of any intruder alarm

system including devices used to transmit or receive signals damaged as a result of glass breakage

- b) any boarding up costs reasonably incurred
- c) any **Damage** to framework and **Landlords' Contents** caused by the impact of falling glass.

The **Insurer** will also indemnify the **Insured** for **Damage** at the **Premises** to sanitary ware (fixed baths washbasins pedestals bidets shower trays sinks lavatory pans and cisterns) where such **Damage** renders such article completely unserviceable.

The liability of the **Insurer** under a) b) and c) shall be restricted to £2,500 for any one loss.

Exclusions

The **Insurer** shall not be liable for **Damage** to glass

- a) caused by repairs or alterations to the **Premises**
- b) caused by alteration installation or removal
- c) in any **Building** which is **Unoccupied**
- d) caused by or arising from
 - i. superficial **Damage** or scratching or cracking which does not result in the complete breakage of the glass
 - ii. inherent or latent defect its own faulty or defective design or materials
 - iii. gradual deterioration or gradually operating cause wear and tear change in colour or finish
 - iv. changes in temperature or atmospheric or climatic conditions
 - v. defects in frames framework or any fitting.

Malicious Damage by Residential Tenants

The **Insurer** will indemnify the **Insured** against **Damage** caused by the malicious actions of a **Tenant** or their family occupying the **Building** or portion of any **Building** for residential purposes. The liability of the **Insurer** under this Additional Cover shall be restricted to the Sums Insured stated in the Schedule for any one loss.

Exclusions

The **Insurer** shall not be liable for

- a) the first £250 of each and every claim or loss under this Additional Cover
- b) **Damage** by theft or attempted theft caused by a **Tenant** or their family occupying the **Building** or portion of any **Building** for residential purposes.

Conditions

It is a condition precedent to the **Insurer's** liability under this Additional Cover that

- a) the **Insured** or authorised persons acting on their behalf or their managing agents shall in each instance obtain and retain written and verified references for all residential **Tenants** or prospective residential **Tenants**
- b) the **Insured** must produce such written references if so requested by the **Insurer** in the event of a claim under this Additional Cover.

Extensions to Section 1

Please note that this cover is provided as standard unless otherwise specified.

All terms exclusions and conditions of the **Insured Perils** under Section 1 apply to these Extensions in addition to those shown below as applying to each Extension.

1. Underground Services

The **Insurer** will indemnify the **Insured** for **Damage** to underground water pipes gas pipes electricity and telephone cables extending from the **Premises** to the public mains from the **Insured Perils** but only to the extent of the **Insured's** responsibility.

2. Theft of Keys and Lock Replacement

The **Insurer** will indemnify the **Insured** for the cost of replacing locks and keys to the **Buildings** subject to an aggregate maximum of £5,000 in any one Period of Insurance provided that

- a) the original keys were stolen from the **Buildings** or the private residence of the **Insured** or any authorised **Employee**
- b) **Damage** by theft is not excluded in its entirety.

3. Landscaped Gardens

The **Insurer** will indemnify the **Insured** for costs

and expenses incurred by the **Insured** with the consent of the **Insurer** in making good **Damage** to landscaped gardens and grounds caused by Fire Brigade equipment and personnel in the course of combating or reducing **Damage** from the **Insured Perils** at the **Premises** subject to an aggregate maximum of £25,000 in any one Period of Insurance.

4. Loss of Metered Supplies

The **Insurer** will indemnify the **Insured** for the cost of metered electricity gas oil and water consumed as a direct result of **Damage** from the **Insured Perils** to any tank apparatus pipe or cable not being automatic sprinkler installations at the **Premises** calculated at the rate applying at the time of the **Damage** subject to a maximum of £25,000 for any one loss

5. Trace and Access

The **Insurer** will indemnify the **Insured** for the costs incurred in locating the source of an escape of water or fuel from any tank apparatus or pipe on the **Premises** and subsequent making good of **Damage** caused as a consequence of locating such source subject to a maximum of £5,000 for any one loss and an aggregate maximum of £25,000 in any one Period of Insurance.

6. Clearing of Drains

The **Insurer** will indemnify the **Insured** for the costs and expenses incurred in cleaning clearing or repairing drains gutters or sewers at the **Premises** as a consequence of **Damage** from the **Insured Perils** but only to the extent of the **Insured's** responsibility subject to a maximum of £5,000 for any one loss.

7. Fire Extinguishment Expenses

The **Insurer** will indemnify the **Insured** for costs incurred with the consent of the **Insurer** in refilling fire extinguishment appliances replacing used sprinkler heads and refilling sprinkler tanks in the event of **Damage** to insured **Property** caused by fire subject to a maximum of £10,000 for any one loss.

8. Gardening Equipment

The **Insurer** will indemnify the **Insured** for **Damage** to gardening equipment owned by the **Insured** at the **Premises** from the **Insured Perils** subject to

- a) maximum of £1,000 for any one loss
- b) **Insured Perils 8** and **9** being inoperative whilst gardening equipment is in the open
- c) **Insured Peril 7** being inoperative unless the gardening equipment is stored within a locked building or outbuilding at the **Premises**.

9. Unauthorised Use of Supplies

The **Insurer** will indemnify the **Insured** for the cost of water gas electricity or other metered supply charges incurred by the **Insured** and for which the **Insured** is legally responsible up to a maximum of £25,000 for any one loss due to unauthorised use by persons taking possession of or occupying any **Building** without the written consent of the **Insured** provided that

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

10. Emergency Access

The **Insurer** will indemnify the **Insured** for the costs incurred following **Damage** to the **Buildings** caused by the police or persons acting under their control in gaining access to the **Buildings** as a result of concern for the welfare of the **Tenant(s)** or to combat **Damage** caused by an **Insured Peril** to the **Premises** subject to an aggregate maximum of £5,000 in any one Period of Insurance.

This Extension shall not include any costs incurred following **Damage** caused by the police in the course of a criminal investigation or as a result of unlawful activities at the **Premises**.

11. Theft of Building Fabric

The **Insurer** will indemnify the **Insured** for **Damage** to

- a) the external fabric of the **Buildings** as a result of theft or attempted theft
- b) **Property** as a result of rainwater entry following theft or attempted theft of the external fabric of the **Buildings**

for which the **Insured** is legally responsible and is not otherwise insured.

Subject to an aggregate maximum of £5,000 in any one Period of Insurance.

This Extension shall not apply

- a) to any **Buildings** which are **Unoccupied**
- b) when scaffolding is erected at the **Buildings**
- c) where **Insured Peril 7 - Theft** is not operative.

12. Removal of Wasp and Bee Nests

The **Insurer** will indemnify the **Insured** for the costs incurred in removing wasp or bee nests from the **Buildings** at the **Premises** subject to a maximum of £500 any one loss and £2,500 in the aggregate in any one Period of Insurance.

The **Insurer** will not be liable for any costs of removing wasp or bee nests already in existence in the **Buildings** at the **Premises** prior to the inception of the Policy.

13. Fly Tipping

The **Insurer** will indemnify the **Insured** for the costs incurred in clearing and removing any property illegally deposited in or around the **Premises** during the Period of Insurance.

Provided that the liability of the **Insurer** shall not exceed £2,500 any one loss or £15,000 in the aggregate in any one Period of Insurance.

14. Tree Felling and Lopping

The **Insurer** will indemnify the **Insured** for the costs incurred in removing or lopping trees by a professionally qualified tree surgeon or tree feller which are an immediate threat to the safety of life or of **Damage** to the **Premises** subject to a maximum of £1,000 for any one loss or £2,500 in the aggregate in any one Period of Insurance.

15. Temporary Removal

The **Insurer** will indemnify the **Insured** for **Damage** to **Landlord's Contents** whilst temporarily removed for cleaning renovation repair or similar purposes and whilst in transit by road vehicle rail or inland air freight within the **Territorial Limits** from the **Insured Perils**.

Subject to a maximum for any one loss of 15% of the Sum Insured shown for **Landlord's Contents** or £50,000 whichever is the lesser amount.

This Extension shall not apply to property more specifically insured.

Cluses

1. Non-Invalidation

The insurance by this Section shall not be invalidated by any act or omission or alteration by a **Tenant** and unknown to or beyond the control of the **Insured** whereby the risk of **Damage** is increased as long as immediately the **Insured** becomes aware of the increase in risk they inform the **Insurer** in writing and pay an appropriate additional premium if required by the **Insurer**.

2. Reinstatement of Losses

Unless written notice to the contrary be given by either the **Insurer** or the **Insured** the insurance by this Section shall not be reduced by the amount of any loss and the **Insured** shall pay the appropriate additional premium from the date of the **Damage** to the date of expiry of the Period of Insurance.

3. Freeholders Lessors and Mortgagees

The interest of any freeholder lessor or mortgagee shall not be prejudiced by any act or neglect of any leaseholder lessee mortgagor or occupier which may increase the risk of **Damage** to any **Building** insured by this Section provided the freeholder lessor or mortgagee immediately upon becoming aware of such increase in risk shall give notice to the **Insurer** and pay an appropriate additional premium if required.

4. Property more specifically insured

The **Insurer** shall not be liable for **Damage** to any **Property** insured more specifically by or on behalf of the **Insured**.

5. Minor Repairs and Alterations

The insurance by this Section shall not be invalidated if the **Insured** employs workmen to carry out repairs minor additions and decorations at the **Premises**.

Basis of Settlement Clauses

1. Average

If the **Property** covered by this Policy shall at the time of the **Damage** be collectively of greater value than the sums insured then the **Insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of their **Damage** accordingly.

2. Property Insured - Reinstatement

In the event of **Damage** to **Property Insured** the basis of settlement shall be the cost of reinstatement meaning the rebuilding replacement repair or restoration of such **Property** to a condition substantially the same as but not better or more extensive than its condition when new.

Special Provisions

- a) The replacement must be carried out without undue delay and no payment beyond the amount which would have been paid in the absence of this clause will be made until the cost of reinstatement has been incurred.
- b) Where **Damage** occurs to only part of the **Property** the liability of the **Insurer** shall not exceed the amount which the **Insurer** would have been liable to pay had such property been wholly destroyed.
- c) If at the time of reinstatement of any item the sum representing 85% of the cost which would have been incurred in reinstating the whole of the **Property** covered by such item exceeds its Sum Insured at the time of the **Damage** the liability of the **Insurer** shall not exceed that proportion of the amount of the **Damage** which the said Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such property at that time.

3. Property Insured – Day One

For any item specified on the Schedule showing a Declared Value and a Sum Insured this shall be deemed to be a Day One Basis of Settlement and the following clause shall replace Basis of Settlement Clause 2 above In the event of **Damage** to **Property** insured the basis of settlement shall be the cost of reinstatement meaning the rebuilding replacement repair or restoration of such **Property** to a condition

substantially the same as but not better or more extensive than when new.

Special Provisions relating to **Property** insured.

- a) at the inception of each Period of Insurance the **Insured** shall notify the **Insurer** of the **Declared Value** of the **Property** insured by each item described in the Schedule
- b) if at the time of **Damage** the **Declared Value** of the **Property** insured by each item is less than the cost of reinstatement at the inception of the Period of Insurance the liability of the **Insurer** shall not exceed the proportion which the **Declared Value** bears to the costs of such reinstatement
- c) where **Damage** occurs to only part of the **Property** the liability of the **Insurer** shall not exceed the amount which the **Insurer** would have been liable to pay had such property been wholly destroyed
- d) the replacement must be carried out without undue delay and no payment beyond the amount which would have been paid in the absence of this clause will be made until the cost of reinstatement has been incurred
- e) no payment will be made beyond the amount the **Insurer** would have paid where **Property** insured at the time of **Damage** is covered by any other insurance effected by the **Insured** or on behalf of the **Insured** which is not on the same basis of reinstatement

4. Index Linking

Where so indicated in the Schedule the Sums Insured for **Buildings** shall be adjusted in accordance with fluctuations in suitable indices of cost to be decided upon by the **Insurer**. At each renewal of the Policy the premium shall be calculated on the revised Sums Insured.

5. European Union and Public Authorities

The **Insurer** will indemnify the **Insured** for the additional cost of

- a) reinstating the damaged parts of the **Buildings**
- b) upgrading any undamaged parts of the **Buildings**.

for an amount not exceeding 15% of the amount that would have been payable if the **Buildings** had been totally destroyed incurred solely by the necessity to comply with any building or other

statutory regulations or Public Authority Bylaw or European Community Legislation excluding

- i. any cost resulting from any such requirement first imposed upon the **Insured** before the date of the **Damage**
- ii. the amount of any rate tax duty development or other charge arising out of capital appreciation as a result of complying with any such requirements which may be payable in respect of the **Buildings**.

Conditions

- a) The work of reinstatement must be completed within 12 months of the date of the **Damage** or such further period as the **Insurer** may in writing allow.
- b) The liability of the **Insurer** for **Damage** to such property including such costs and expenses shall not exceed the Sum Insured stated in the Schedule.

6. Removal of Debris

This insurance includes the costs incurred in respect of removal of debris of **Property** insured resulting from **Damage** from an **Insured Peril** excluding

- a) costs incurred in removing debris except from the site of such **Damage** and the area immediately adjacent to such site
- b) costs arising from **Pollution or Contamination** of property not insured by this Section.

The liability of the **Insurer** for **Damage** to such **Property** including such costs and expenses shall not exceed the Sums Insured stated in the Schedule.

7. Capital Additions

To the extent that they are not otherwise insured the insurance of **Buildings** and **Landlord's Contents** shall extend to cover

- a) alterations additions and improvements to **Buildings** and **Landlord's Contents** but not appreciation of the value of such property
- b) any newly erected or acquired **Buildings** and **Landlord's Contents** within the **Territorial Limits** from the commencement date of the responsibility of the **Insured**

subject to

- i. the **Insured** advising the **Insurer** of the amendments as soon as practicable on becoming aware of the increase in the extent

of cover required and paying the appropriate additional premium

- ii. the Sums Insured for **Buildings** and **Landlord's Contents** at each location only being increased by the value of the additional property up to no more than 10% of the existing Sums Insured or £500,000 whichever is the lesser at any one location.

8. Professional Fees

The insurance by each item on **Buildings** and **Landlord's Contents** includes an amount for architects' surveyors' consulting engineers' and legal fees incurred in the reinstatement or repair of such property consequent upon its **Damage** but not for preparing any claim. The total liability of the **Insurer** for **Damage** to such property including such fees shall not exceed the Sums Insured stated in the Schedule.

9. Contracting Purchaser

Where the **Insured** at the time of **Damage** has contracted to sell their interest in any insured **Building** and the purchase is subsequently completed the contracting purchaser shall be entitled to benefit under the Policy provided that the **Building** is not otherwise insured in respect of such **Damage**.

10. Subrogation Waiver

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

- a) any company standing in the relation of parent or subsidiary to the **Insured** or
- b) any company which is a subsidiary of or a parent company of which the **Insured** themselves are subsidiary in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the **Damage**.

11. Other Interests

Interests of third parties which the **Insured** is required to include herein under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically deemed to be held covered subject to notification by the **Insured** to the **Insurer** at the time of the **Damage**.

12. Business Books

The basis of settlement of any claim for business books shall be their value as stationery together

with the cost of clerical labour expended in their reproduction.

13. Matching Items

In the event of **Damage to Property** insured the basis of settlement shall not include the cost of replacing any undamaged item or part of any item which forms part of a matching set or suite.

General Exclusions applying to Section 1 - Material Damage

The **Insurer** shall not be liable for **Damage** to

- a) vehicles licensed for road use (including accessories on them) caravans trailers railway locomotives rolling stock watercraft or aircraft
- b) property or structures in the course of construction or erection and materials or supplies in connection with all such property or structures in the course of construction
- c) land piers jetties bridges culverts or excavations
- d) livestock growing crops or trees
- e) jewellery precious stones precious metals bullion or furs.

Condition

Roof Maintenance Condition

It is a condition precedent to the **Insurer's** liability under Section 1 - Material Damage that

- a) any flat felted roof or part thereof of the **Premises** shall be inspected at least once every two years by a qualified builder or property surveyor and any defect identified by that inspection shall be repaired immediately
- b) any roof valley guttering is checked annually for blockages or defects and any remedial action required is immediately implemented.

Section 2 – Loss of Rent

In the event of **Damage** to the **Property** used by the **Insured** for the purposes of the **Business** carried on by the **Insured** at the **Premises** during the Period of Insurance from the **Insured Perils** under Section 1 resulting in loss of **Rent Receivable** the **Insurer** will indemnify the **Insured** in respect of the amount of the loss of **Rent Receivable** provided that

- a) such **Damage** is covered under Section 1 of this Policy and that liability shall be admitted or payment made therefore or
- b) payment would have been made or liability admitted but for the operation of a proviso in the insurance excluding liability for losses below a specified amount.

The liability of the **Insurer** under this Section shall not exceed in respect of any item its Sum Insured or Limit stated in this Policy or the Schedule at the time of the event.

Clause

Reinstatement Following a Loss

The liability of the **Insurer** under this Section shall not exceed the Sum Insured or Limit remaining after deduction for any other interruption or interference resulting from **Damage** occurring during the same Period of Insurance unless the **Insurer** has agreed to reinstate any such Sum Insured or Limit.

Basis of Settlement Clauses

1. Rent Receivable

The **Insurer** will pay as indemnity to the **Insured** the amount of their loss in respect of

- a) the amount by which the **Rent Receivable** during the **Indemnity Period** shall fall short of the **Standard Rent Receivable** as a result of the **Damage**
- b) the amount of additional expenditure incurred by the **Insured** as a result of the **Damage** but not exceeding the loss of **Rent Receivable** thereby avoided

provided that if the Sum Insured for loss of **Rent Receivable** is less than the **Standard Rent Receivable** the amount payable shall be proportionately reduced.

2. Alternative Accommodation

The **Insurer** will indemnify the **Insured** for costs incurred for alternative accommodation for **Tenants** in the residential portion of the **Premises** and temporary storage of such **Tenants'** furniture if as a result of **Damage** from the **Insured Perils** the occupied **Buildings** are rendered unfit for occupation or access to them is denied subject to a maximum of 20% of the Sum Insured applying to the **Buildings** or to the parts of the **Buildings** damaged for any one loss.

3. Managing Agents' Charges

The **Insurer** will pay to the **Insured** the charges payable to their managing agents necessarily incurred in connection with re-letting the **Premises** following **Damage** insured under Section 1 - Material Damage.

4. Accountants' and Auditors' Charges

The **Insurer** will pay to the **Insured** the charges payable by the **Insured** to their professional accountants and auditors for producing and certifying any particulars or details or any other proofs information or evidence as may be required by the **Insurer** under the terms of this Section and reporting that such particulars or details are in accordance with the **Insured's** books or documents.

5. Value Added Tax

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

6. Payments on Account

Payments on account will be made to the **Insured** during the **Indemnity Period** if so requested subject to appropriate adjustment at the end of the **Indemnity Period**.

Extensions to Section 2

Please note that this cover is provided as standard unless otherwise specified.

All terms exclusions and conditions of the **Insured Perils** under Section 1 and all terms exclusions and conditions of Section 2 apply to these Extensions in addition to those shown below as applying to each Extension.

The liability of the **Insurer** includes loss as insured by this Section resulting from interruption or interference with the **Business** in consequence of

1. Denial of Access

Damage from the **Insured Perils** to property within a one-mile radius of the **Premises** which shall prevent or hinder the use of or access to the **Insured's Premises** whether or not there has been **Damage** to the **Premises** or **Property** of the **Insured** but excluding the property of any supply undertaking from which the **Insured** obtains electricity gas water or telecommunications services subject to a maximum of £100,000 for any one loss.

2. Managing Agents' Premises

Damage from the **Insured Perils** at the premises of the **Insured's** managing agents within Great Britain Northern Ireland the Channel Islands or the Isle of Man subject to a maximum of £10,000 any one loss.

3. Accidental Failure of Public Supply

Accidental failure at the terminal ends of the public supply undertakings' feed to the **Premises** of electricity gas water or telecommunications services as a direct result of damage subject to a maximum of £100,000 for any one loss and providing the cessation of supply is of at least 30 minutes in respect of electricity gas or water and for a minimum of 8 consecutive hours in respect of telecommunications excluding

- a) atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite
- b) total or partial failure of the public supply occasioned by strike or lock-out total or partial withdrawal of labour or total or partial cessation of work.

4. Documents

Damage from the **Insured Perils** to documents

belonging to or held in trust by the **Insured** whilst temporarily at premises not in the occupation of the **Insured** or whilst in transit by road rail or inland waterway in Great Britain Northern Ireland the Channel Islands or the Isle of Man subject to a maximum of £25,000 for any one loss.

Exclusion

The **Insurer** shall not be liable under this Section for loss arising directly or indirectly from

- a) erasure loss distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters strikers locked out workers persons taking part in labour disturbances or civil commotion or malicious persons
- b) other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from the **Insured Perils** insofar as it is not otherwise excluded.

Section 3 – Property Owners’ Liability

In the event of accidental

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

occurring within the **Territorial Limits** during the Period of Insurance and arising out of ownership of the **Premises** the **Insurer** will indemnify the **Insured** in respect of all sums which the **Insured** become legally liable to pay as compensation and claimant’s costs and expenses.

The **Insurer** will also pay **Legal Costs** and **Solicitors’ Fees**.

Limit of Indemnity

The liability of the **Insurer** under this Section for compensation in respect of

- a) one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- b) all **Injury** and damage occurring during any one Period of Insurance in respect of **Products Supplied**
- c) all **Pollution or Contamination** which is deemed to have occurred during any Period of Insurance

shall not exceed the Limit of Indemnity stated in the Schedule.

Section Definition

Territorial Limits

- a) Great Britain Northern Ireland the Isle of Man or the Channel Islands
- b) anywhere in the world except for the United States of America or Canada or their dependencies or trust territories unless specifically agreed by the **Insurer** caused by **Products Supplied** from or worked upon in the territories specified in a) above.

Extensions to Section 3

Please note that this cover is provided as standard unless otherwise specified.

1. Consumer Protection and Food Safety Acts – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured's** request any director partner or **Employee** of the **Insured** against **Legal Costs** incurred with the **Insurer's** written consent in connection with the defence of any proceedings or an appeal against conviction arising from such proceedings brought for a breach of

- a) Part 2 of the Consumer Protection Act 1987 or
- b) Section(s) 7 8 14 and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed in the course of the **Business** during the Period of Insurance.

Provided that this indemnity shall not apply to

- i. the payment of fines or penalties
- ii. proceedings or appeals in respect of any deliberate act or omission by the **Insured**
- iii. costs or expenses insured by any other policy.

2. Court Attendance Compensation

The **Insurer** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Insurer's** agreement up to a maximum of £250 per day per person.

3. Cross Liabilities

Where the **Insured** comprises more than one party the **Insurer** shall treat each party as the **Insured** as if a separate Policy had been issued to each provided that nothing in this Extension shall increase the liability of the **Insurer** beyond the amount for which the **Insurer** would have been liable had this Extension not applied.

4. Data Protection Act

The **Insurer** will indemnify the **Insured** against liability at law incurred by the **Insured** under Section 13 of the Data Protection Act 1998 in connection with personal data (as defined in such Act) held by the **Insured** provided always that the **Insurer** shall not be liable for

- a) the payment of fines and penalties
- b) the cost of replacing reinstating rectifying or

erasing any personal data.

5. Defective Premises Act

The **Insurer** will indemnify the **Insured** in respect of any legal liability incurred by the **Insured** during the Period of Insurance under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with any **Business Premises** or land which have been disposed of by the **Insured**.

Provided that the **Insurer** shall not be liable

- a) for the cost of remedying any defect or alleged defect in the **Premises** disposed of
- b) if the **Insured** is entitled to indemnity from any other source.

6. Health and Safety at Work – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured's** request any director or partner of the **Insured** or any **Employee** against **Legal Costs** incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given.

Provided that this indemnity shall not apply to the payment of fines or penalties.

7. Indemnity to Other Parties

If the **Insured** so request the **Insurer** will indemnify the following parties

- a) any member of the **Insured's** first aid service (but excluding medical practitioners) against liability incurred in such capacity
- b) any partner director or **Employee** of the **Insured** against liability incurred in such capacity and in respect of which the **Insured** would have been entitled to indemnity under this Section if the claim had been made against the **Insured** as though each party was individually named as the **Insured** in this Section
- c) any **Principal** for whom the **Insured** have agreed to execute work under contract or agreement against liability arising out of the

performance of such work by the **Insured** and in respect of which the **Insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **Insured**.

Provided that

- i. each such party shall observe fulfil and be subject to the terms and conditions of this Section insofar as they can apply
- ii. the **Insurer's** liability to the **Insured** and all parties indemnified shall not exceed in total the Limit of Indemnity stated in the Schedule.

8. Corporate Manslaughter and Corporate Homicide - Legal Defence Costs

The **Insurer** will indemnify the **Insured** against Legal Costs incurred with the **Insurer's** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgement given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders.

Exclusions

The indemnity granted under this Section shall not apply to

1. Advice and Design

Liability arising from advice design formula specification inspection certification or testing provided by or on behalf of the **Insured** for a fee or in circumstances where a fee would normally be charged.

2. Damage to Goods Supplied

Liability in respect of

- a) damage to any goods or other **Property** sold supplied delivered installed or erected by or on behalf of the **Insured**
- b) all costs of or arising from the need for making good removal repair rectification replacement or recall of any such goods or property or any defective work carried out by or on behalf of the **Insured**.

3. Products Supplied

Liability in respect of **Injury** loss or damage arising from **Products Supplied** but this Exclusion shall not apply to

- a) any food or drink supplied to partners directors **Employees** or non-paying guests of the **Insured**
- b) the disposal of furniture and office equipment originally intended solely for the use of the **Insured** in connection with the **Business**.

4. Fines

Liability in respect of liquidated damages fines penalties exemplary punitive aggravated or multiplied damages.

5. Injury to Employees

Liability in respect of **Injury** to any **Employee** arising out of and in the course of the employment or engagement of such person by the **Insured**.

6. Mechanically Propelled Vehicles

Liability arising out of the ownership possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle or trailer attached thereto which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Exclusion shall not apply

- a) while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
- b) in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle

except where more specifically insured by any other policy.

7. Pollution or Contamination

Liability arising

- a) out of **Pollution or Contamination** unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance provided that all **Pollution or Contamination** arising out of one incident shall be deemed to have occurred at the time such incident takes place
- b) directly or indirectly by **Pollution or**

Contamination occurring in the United States of America or Canada or their dependencies or trust territories.

8. Property in the Charge or Control of the Insured

Liability in respect of loss or damage to any property belonging to or in the charge or control of the **Insured** other than

- a) personal effects or vehicles of any partner director or **Employee** of or visitor to the **Insured**
- b) premises (and their contents) not belonging leased rented or hired to the **Insured** but temporarily in the charge of the **Insured** for the purpose of carrying out work
- c) premises (including their fixtures and fittings) leased rented or hired to the **Insured** but this Section does not cover liability attaching to the **Insured** solely under the terms of any tenancy or other agreement.

9. Vessels or Craft

Liability arising out of ownership possession or use by or on behalf of the **Insured** of any vessel or craft designed to travel in on or through water air or space (other than hand-propelled watercraft).

10. Asbestos

Any liability of whatsoever nature arising out of the manufacture mining processing distribution testing remediation removal storage disposal sale use of or exposure to asbestos or materials or products containing asbestos.

This Exclusion shall not apply in respect of such removal storage or disposal provided that

- a) the **Insurer's** liability in respect of **Injury** loss or damage occurring during any one Period of Insurance shall not exceed £2,000,000 in the aggregate or the amount of the Limit of Indemnity for this Section as stated in the Schedule whichever is the lower
- b) such activity does not form part of the **Insured's** usual trade or **Business** or contract
- c) the discovery of asbestos by the **Insured** is unintentional and accidental
- d) upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
- e) an HSE licensed asbestos removal contractor who has Employers' Liability and Public and

Products Liability insurances in force that

- i. provide Limits of Indemnity no less than those stated in the Schedule and
- ii. do not exclude the work to be carried out is contracted if legally required to make safe the area in which the discovery is made as soon as is practicable.

11. Contractual Liability

Liability which attaches because of a contract or agreement but which would not have attached in the absence of such contract or agreement.

12. Slings and Cradles

Liability for **Injury** or loss or damage arising out of the operation of a sling or cradle.

Conditions

1. Discharge of Liability

The **Insurer** may at any time pay to the **Insured** in connection with any claim or series of claims

- a) the amount of the Limit of Indemnity or
- b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation claimant's costs and expenses **Legal Costs** and **Solicitors' Fees** recoverable prior to the date of such payment.

On payment the **Insurer** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment.

2. Other Insurances

If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **Insurer** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected.

3. Bona Fide Subcontractors

It is a condition precedent to any liability of the **Insurer** in respect of injury loss destruction or damage arising out of work at the **Premises** commencing within the Period of Insurance carried out on behalf of the **Insured** by bona fide subcontractors that the **Insured** obtain and

retain a written record that such subcontractors have in force throughout the duration of any work undertaken by them for the **Insured** the following insurance

- a) Employers' Liability insurance in accordance with any law relating to compulsory insurance of liability to employees.
- b) Public Liability insurance covering legal liability for **Injury** to any person other than described in a) above and loss destruction or damage to property with a limit of indemnity not less than the Limit of Indemnity stated in the Schedule.

This condition does not apply where bona fide subcontractors are engaged to carry out work on behalf of the **Insured** in an emergency and there is insufficient time to obtain a written record from such subcontractor provided the **Insured** shall obtain verbal confirmation and confirm such information in writing and retain a copy as a written record.

Section 4 – Legal Expenses

The **Insurer** will only indemnify the **Insured** for **Claims** where the dispute and/or legal proceedings and/or **Inland Revenue Investigation** are or would be within the **Territorial Limits** and the **Claim** is notified to the **Insurer's Representative** during the Period of Insurance and is in connection with the activities within the scope and extent of the **Business** activities of the **Insured** as specified in the Schedule

Section Definitions

Acts of Parliament

All Acts of Parliament referred to in the Policy shall include any subsequent amendments re-enactments or regulations and equivalent legislation enforceable within the **Territorial Limits**.

Any One Claim

All **Claims** consequent upon the same original cause event or circumstance.

Appointed Representative

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

Claim

A claim under the Policy for **Legal Expenses** or **Professional Expenses**.

Contracting Party

A person firm or company domiciled within the **Territorial Limits** with whom the **Insured** has a direct contractual relationship.

Increased Excess

The amount for which the **Insured** is responsible for each and every **Claim** or loss as specified in the Schedule if the **Insured** instructs an alternative **Appointed Representative** to the one chosen by the **Insurer's Representative**.

Inland Revenue Investigation

The investigation which takes place when an officer of Her Majesty's Revenue & Customs (HMRC) makes a request to examine all of the **Insured's** business books and records and issues a formal notice under S9A or 12AC of the Taxes Management Act 1970 or under Paragraph 24 (1) Schedule 18 Finance Act 1988.

Insurer’s Representative

Abbey Legal Protection a trading division of Abbey Protection Group Limited who administers and manages Section 4 – Legal Expenses – of the Policy on behalf of the **Insurer**.

Legal Expenses

a) Fees

- i. Any professional fees expenses and other disbursements reasonably incurred by the **Appointed Representative** with the consent of the **Insurer’s Representative** and
- ii. any costs incurred by other parties insofar as the **Insured** is held liable in court or tribunal proceedings to pay such costs or becomes liable to pay such costs under a settlement made with another party with the consent of the **Insurer’s Representative** but excluding any costs which the **Insured** may be ordered to pay by a court of criminal jurisdiction

b) Witness Attendance Allowance

The amount of money the **Insured** is liable to pay an **Employee** each day they are required by the **Appointed Representative** to attend as a witness at a court or tribunal hearing. This indemnity is limited to £100 per day and a maximum of £1,000 for **Any One Claim**.

Professional Expenses

Any fees expenses and other disbursements reasonably incurred by the **Appointed Representative** with the consent of the **Insurer’s Representative** but excluding any tax or VAT additional tax or VAT interest or penalties demanded assessed or required by the relevant authorities or other penalties imposed by a court of criminal jurisdiction.

Tenancy Agreement

An agreement between the **Insured** and the **Tenant** for the use and occupation of the **Property**.

Sub-Section A – Property Disputes

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in any dispute or legal proceedings made by or brought against the **Insured**

- a) over the physical possession of the **Property** provided that where appropriate all statutory and contractual notices have been correctly served by the **Insured** on the **Tenant**
- b) over the terms of the **Tenancy Agreement** relating to the use or maintenance of the **Property** excluding dilapidations
- c) other than with a **Tenant** to pursue for damages or other remedy for the actual or alleged physical damage to the **Property** subject to the amount in dispute being in excess of £1,000 and any **Legal Expenses** being limited to 75% of the amount in dispute
- d) over the actual or alleged dilapidations to the **Property** subject to the amount in dispute being in excess of £1,000 and any **Legal Expenses** being limited to 75% of the amount in dispute
- e) to defend allegations of nuisance emanating from the **Property** provided the **Property** is used solely for residential purposes

Provided that the **Insured** will suffer financial loss if the **Insured** fails to pursue or defend the dispute or legal proceedings.

Exclusions

The **Insurer** shall not be liable to indemnify the **Insured** in respect of **Claims** arising out of or in connection with

- a) pursuing or defending the payment or nonpayment of any tax rent and/or mesne profits or service charge or any review of rent or service charge
- b) a dispute relating to rent tax planning or building regulations or decisions or compulsory purchase orders or any actual planned or proposed works by or under the order of any government or public or local authority
- c) any dispute arising from the negotiation review or renewal of a **Tenancy Agreement** or the subsequent purchase of the **Property** whether or not such purchase is completed

- d) any actual or alleged harassment of a **Tenant** or the **Insured**
- e) any dispute where the **Insured** has failed to maintain in full force and effect during the **Tenancy Agreement** buildings insurance covering the standard range of perils
- f) a dispute over subsidence or heave howsoever caused
- g) a contract dispute other than where the contract is a **Tenancy Agreement**
- h) any planning application review or decision.

Sub-Section B – Repair and Renovation Disputes

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in the pursuit or defence of any dispute or legal proceedings made by or brought against the **Insured** in a contractual dispute with a **Contracting Party** over the repair or renovation to a **Property** provided that

- a) the **Legal Expenses** indemnified shall be limited to 75% of the sum in dispute
- b) the amount in dispute exceeds £1,000 and the contract value is less than £100,000
- c) the work is commenced after inception of the Period of Insurance.

Exclusions

The **Insurer** shall not be liable to indemnify the **Insured** in respect of **Claims** arising out of

- a) contracts that provide or arrange credit insurance securities or guarantees
- b) contracts where the liability or right of recovery of the **Insured** is incurred through their agent or by assignment
- c) contracts governed by or alleged to be governed by the Consumer Credit Act 1974
- d) contracts of employment
- e) a **Tenancy Agreement** or a license to use **Property**.

Sub-Section C – Health and Safety Prosecutions

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in

- a) defending a prosecution against the **Insured** brought under the Health and Safety at Work Act 1974 in a court of criminal jurisdiction
- b) an appeal by the **Insured** against the service of an Improvement or Prohibition Notice under the Health and Safety at Work Act 1974

provided that the breach or alleged breach of the Health and Safety at Work Act or the Improvement or Prohibition Notice relate to the **Property**.

Sub-Section D – Tax Protection

The **Insurer** agrees to indemnify the **Insured** against **Professional Expenses** incurred in respect of representation of the **Insured** in an **Inland Revenue Investigation** including representation at a First-tier Tribunal and at an appeal against a decision following such a Tribunal provided that there is a reasonable prospect of reducing the liabilities alleged by HMRC.

Exclusions

The **Insurer** shall not be liable to indemnify the **Insured** in respect of

- a) technical or routine treatment of matters not connected with nor arising out of an expression of dissatisfaction with the **Insured's** affairs
- b) the defence of any criminal prosecution
- c) taxation proceedings which arise out of negligent mis-statements or omissions made by or on behalf of the **Insured** in respect of returns or accounts or where there has been a lack of reasonable care in the keeping of business books and records
- d) any **Inland Revenue Investigation** or proceedings which results solely from investigation of earlier accounts or records
- e) taxes fines interest or any other duties or penalties imposed upon the **Insured** by any Revenue authority or court or tribunal

- f) any **Claim** where the tax return is submitted outside the statutory time limits and/or in a penalty position or where the **Insured** has not notified chargeability to tax within the statutory time limits
- g) the preparation and/or correction of Self Assessment Returns accounts Income Tax Returns P11Ds P35s VAT returns or any other statutory returns
- h) any enquiry under Public Notice 160 or Section 60 of the VAT Act 1994 or matters handled by HM Revenue and Customs Specialist Investigations Civil Investigations of Fraud and Criminal Investigations Sections.
Also Code of Practice 8 and 9 cases
- i) an enquiry into the validity of a claim for Working Families Tax Credit or a dispute concerning the payment of the Working Families Tax Credit by an employer
- j) any dispute in connection with the payment of the National Minimum Wage
- k) a dispute or enquiry in respect of IR35 legislation
- l) any **Claim** made where a return submitted at the final filing date contains provisional figures in respect of all of the trading income and expenditure items
- m) an investigation arising out of a voluntary disclosure made to HMRC in respect of omitted tax which become due as a result of the **Insured's** deliberate act or following an HMRC amnesty where the **Insured** has made an incorrect return to HMRC
- n) an investigation by HMRC into a tax planning arrangement where the Anti Avoidance Intelligence Unit of HMRC has allocated a number for inclusion on the relevant Self Assessment Return or any matter relating to bespoke tax planning.

Exclusions to Section 4

The **Insurer** shall not be liable to indemnify the **Insured** in respect of

1. the defence of the **Insured** in civil legal proceedings arising from
 - a) injury or disease including psychiatric injury and/or stress
 - b) loss destruction or damage of or to property (other than as specified in Section 4 Sub-Section A)
 - c) alleged breach of any professional duty
 - d) any tortious liability (other than as specified in Section 4 Sub-Section A)
2. any dispute legal proceedings or **Inland Revenue Investigation** made brought or commenced outside the **Territorial Limits**
3. **Legal Expenses** or **Professional Expenses** incurred without the prior written consent of the **Insurer's Representative** or in excess of the **Insurer's Representative's** consent
4. any **Claim** relating to or arising from any cause event or circumstance occurring prior to or existing at inception of the Policy and which has or which the **Insured** knew or ought reasonably to have known may give rise to a dispute legal proceedings or **Inland Revenue Investigations** by or against the **Insured**
5. fines or other penalties imposed by a court or tribunal
6. any dispute legal proceedings or **Inland Revenue Investigations** in respect of which the **Insured** is or but for the existence of the Policy would be entitled to indemnity under any insurance policy whether a legal expenses insurance or not or under a legal aid certificate or representation order
7. any **Claim** arising from the **Insured's** intentional wrongdoing or an act or omission with negligent disregard as to its consequences
8. any dispute or legal proceedings with Government or Local Authority departments concerning the imposition of statutory charges
9. disputes or legal proceedings between **Insureds** as specified in the Schedule

- or any endorsement thereto or with any parent company or subsidiary company or associated company or partner
10. any dispute between the **Insured** and the **Insurer** the **Insurer's Representative** the **Appointed Representative** or the mortgage lender
 11. any dispute falling within the jurisdiction of the Rent Assessment Committee the Lands Tribunal or the Leasehold Valuation Tribunal
 12. any dispute or legal proceedings where the **Insured** or his agent are in breach of Section 213 of the Housing Act 2004 (and/or any amending legislation) in relation to the deposit
 13. any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off whether related to intellectual property or not or the use or alleged use of any intellectual property
 14. any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or malicious falsehood
 15. any **Legal Expenses** or **Professional Expenses** incurred in respect of or in connection with a judicial review
 16. appeals arising out of legal proceedings or **Inland Revenue Investigations** to which the **Insurer's Representative's** consent has not been granted
 17. any **Claim** directly or indirectly caused by or contributed to by seepage pollution or contamination of any kind
 18. any **Legal Expenses** or **Professional Expenses** which the **Insured** should or would have had to incur irrespective of any dispute or legal proceeding.

Legal Expenses Claims Conditions

1. Notification of Claims

It is a condition precedent to the liability of the **Insurer** that the **Insurer's Representative** is notified in writing during the Period of Insurance immediately the **Insured** is aware of any cause event or circumstance which has given or may give rise to a **Claim** dispute legal proceedings or **Inland Revenue Investigation** involving the **Insured**. Where such notification has been given the **Insurer** agrees to treat any subsequent **Claim** in respect of the cause event or circumstance notified as though the **Claim** had been notified during the Period of Insurance.

The **Insurer's Representative** will forward to the **Insured** an insurance claim form that must be completed and returned immediately.
2. Insurer's Representative's Consent

It is a condition precedent to the liability of the **Insurer** that their consent to incur **Legal Expenses** or **Professional Expenses** must firstly be obtained in writing. This consent will be given by the **Insurer's Representative** on behalf of the **Insurer** if the **Insured** can satisfy the **Insurer's Representative** that

 - a) it is reasonable to incur **Legal Expenses** or **Professional Expenses** having regard to the proportionality between the remedy claimed and the **Legal Expenses** or **Professional Expenses** to be incurred and
 - b)
 - i. where the **Insured** is pursuing there are reasonable prospects of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought
or
 - ii. where the **Insured** is defending the other party does not have reasonable prospects of proving the **Insured's** legal liability
or
 - iii. in respect of a Health and Safety prosecution and where the **Insured** pleads guilty there is a reasonable

prospect of a significant mitigation of the **Insured's** sentence or fine
 If during the course of a **Claim** the **Insured** ceases to satisfy the **Insurer's Representative** in respect of a) or b) above indemnity will be withdrawn in respect of **Legal Expenses** or **Professional Expenses**

The decision to grant consent or to withhold it will be taken on receipt of

- A) a fully completed claim form
- B) the information and documentation the **Insurer's Representative** reasonably requests
- C) a legal opinion from the **Appointed Representative** as to a) and b) above
- D) any advice the **Insurer's Representative** may deem it necessary to take.

With the agreement of the **Insured** the **Insurer's Representative** may provide assistance in settling disputes the costs of which will be covered under the Policy subject to the payment of the **Excess** or **Increased Excess** within the Limits of Indemnity.

The **Insurer's Representative** at its discretion may require the **Insured** to obtain an opinion from Counsel at the **Insured's** expense as to the merits of the subject matter of the **Claim** such opinion to have regard to the same issues that the **Insurer's Representative** has in assessing the merits of any legal action.

If based upon such opinion the **Insurer's Representative** is satisfied in respect of a) and b) above the **Legal Expenses** and **Professional Expenses** incurred in obtaining that opinion will be paid by the **Insurer** within the Limits of Indemnity.

In granting its consent the **Insurer** undertakes to provide indemnity to the **Insured** subject to the terms and conditions of the Policy and Schedule but such consent does not imply that all **Legal Expenses** or **Professional Expenses** will be paid. In particular **Legal Expenses** or **Professional Expenses** for matters that go beyond the immediate scope

of the **Claim** shall be deemed by the **Insurer** to fall outside the indemnity provided by the Policy.

The **Insurer's Representative** reserves the right to limit its consent by time and/or financial amount of **Legal Expenses** or **Professional Expenses** and/or stage of proceedings to allow for a review of their continued consent.

If after consent has been granted it is shown that the **Claim** has not been brought within the terms and conditions of the Policy and Schedule the **Insurer's Representative's** consent will be withdrawn and no indemnity shall be provided. The **Insurer** shall be entitled to recover any **Legal Expenses** or **Professional Expenses** previously paid.

If the **Insured** elects to proceed with the pursuit or defence of a dispute or legal proceedings to which the **Insurer's Representative's** consent has been refused through lack of reasonable prospects as required in b) i. and ii. above and if the **Insured** is successful in such pursuit or defence the **Insurer** will pay **Legal Expenses** or **Professional Expenses** incurred after such consent had been refused subject to the terms and conditions of the Policy.

3. Instruction and Choice of Appointed Representative and Counsel

The **Insurer's Representative** will choose an **Appointed Representative** to act on behalf of the **Insured** in any **Claim** under certain Sub-Sections as specified in the Schedule.

In all other Sub-Sections where recourse is necessary to a lawyer and there are enquiries or legal proceedings the **Insured** is free to choose an **Appointed Representative** to act in the name of and on behalf of the **Insured** in any enquiry or legal proceedings to which the **Insurer's Representative** has consented subject to the **Increased Excess**. The name and address of the **Appointed Representative** the **Insured** proposes to instruct must be notified to the **Insurer's**

Representative in writing.

The **Insurer's Representative** will accept such nomination provided the **Insurer's Representative** is satisfied the proposed **Appointed Representative** will co-operate and enable the **Insured** to comply with the terms and conditions of the Policy and provided the proposed **Appointed Representative's** charging rates are fair and reasonable in regard to the particular legal proceedings. In all other **Claims** the **Insurer's Representative** will choose the **Appointed Representative** subject to the **Excess** unless there is a conflict of interest between the **Insured** and the **Insurer's Representative** when the **Insured** is free to choose an **Appointed Representative** to act in the name and on behalf of the **Insured** in any **Claim** to which the **Insurer's Representative** has consented.

The **Insured** must not without the written consent of the **Insurer's Representative** enter into any agreement with the **Appointed Representative** as to the basis of calculation of **Legal Expenses** or **Professional Expenses**.

In selecting the **Appointed Representative** the **Insured** shall have regard to its duty to minimise the cost of any **Claim** or legal proceedings. In all cases the **Appointed Representative** shall be appointed in the name of and on behalf of the **Insured**.

If in the course of any **Claim** or legal proceedings the **Appointed Representative** wishes to instruct Counsel or an expert Counsel's or the expert's name and an explanation of the necessity for such instruction must be submitted to the **Insurer's Representative** for consent to the proposed instruction which will not be unreasonably withheld.

A dispute arising from the **Insured's** choice of **Appointed Representative** may be referred to arbitration.

4. Disclosure

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** must give the **Appointed Representative** and the **Insurer's Representative** all necessary help and information including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the **Insured's** possession. The **Insured** must provide obtain or execute all documents as necessary and attend meetings or conferences as requested
- b) The **Insured** must instruct the **Appointed Representative** to provide the **Insurer's Representative** any information document or advice in connection with any **Claim** and the subject matter of any **Claim** even if privileged. In addition the **Insured** must instruct the **Appointed Representative** to provide the **Insurer's Representative** with regular updates on the progress of the subject matter of any **Claim** and inform the **Insurer's Representative** immediately if and when any circumstance adversely impacts the factors taken into account in granting the **Insurer's Representative's** consent.

Indemnity may be withdrawn if the **Insured** fails to co-operate at all or within a reasonable time with the **Insurer's Representative's** or the **Appointed Representative's** requests or if the **Insured** or **Appointed Representative** fails to provide the **Insurer's Representative** with any information in connection with any **Claim** or the subject matter of any **Claim**.

5. Payment of Legal Expenses and Professional Expenses

All bills for **Legal Expenses** or **Professional Expenses** which the **Insured** receives from the **Appointed Representative** should be forwarded to the **Insurer's Representative** without delay. If the **Insurer's Representative** so requires the **Insured** must ask the **Appointed Representative** to submit the bill of costs for assessment or certification by the appropriate Law Society court or tribunal.

The **Insured** is responsible for payment of all **Legal Expenses** or **Professional Expenses**. The **Insurer** may settle these direct if requested by the **Insured** to do so. The payment of some **Legal Expenses** or **Professional Expenses** does not imply that all **Legal Expenses** or **Professional Expenses** will be paid.

6. Offer of Settlement

It is a condition precedent to the liability of the **Insurer** that the **Insured** must inform the **Insurer's Representative** in writing as soon as an offer to settle a **Claim** or legal proceedings is received and/or the **Insured** proposes to make an offer of settlement.

In any settlement the **Insured** must have regard to **Legal Expenses** or **Professional Expenses** incurred or likely to be incurred by the **Insurer** and the recovery thereof.

No indemnity will be provided if the **Insured** enters into any agreement to settle without the prior written consent of the **Insurer's Representative** (such consent not to be unreasonably withheld) and the **Insurer** shall be entitled to recover any **Legal Expenses** or **Professional Expenses** previously paid. If the **Insured** unreasonably rejects an offer of settlement which the **Insurer's Representative** recommends acceptance of or makes an offer which the **Insurer's Representative** does not agree no further indemnity shall be provided.

The **Insurer** may at its absolute discretion decide to pay the **Insured** the amount of damages that the **Insured** is claiming or is being claimed against the **Insured** instead of indemnifying the **Insured** for **Legal Expenses** or **Professional Expenses**.

Where the **Insurer** exercises this discretion the **Insurer** will cease to be liable for any further **Legal Expenses** or **Professional Expenses**.

7. Recovery of Costs

Whenever the **Insured** is awarded costs or under the terms of any settlement where costs are included those costs are to be repaid to the **Insurer**.

The **Insured** and their **Appointed Representative** must make every effort to make a full recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered the **Insured** agrees that a fair and reasonable proportion of that settlement will be deemed costs and due to the **Insurer**.

Where such a settlement is paid in instalments all costs to the **Insurer** shall be paid first.

8. Appeal Procedure

If following legal proceedings to which the **Insurer's Representative** has consented the **Insured** wishes to appeal against the judgment or decision of a court or tribunal the grounds for such appeal must be submitted to the **Insurer's Representative** through the **Appointed Representative** immediately or as soon as practicable so that the **Insurer's Representative** may consider whether to consent to such further action. If an appeal is lodged against a judgment or decision of a court or tribunal made in favour of the **Insured** following legal proceedings to which the **Insurer's Representative** has consented the **Insured** must notify the **Insurer's Representative** immediately in order that cover shall continue. The **Insurer's Representative** will inform the **Appointed Representative** of its decision.

If the **Insurer's Representative** so requires it the **Insured** must co-operate in an appeal against the judgment or decision of a court or tribunal.

9. Duty to Minimise

The **Insured** must take all reasonable precautions to avoid and prevent **Claims Inland Revenue Investigations** legal proceedings and disputes. The **Insured** must use every endeavour and take all reasonable measures to minimise the cost and effect of any **Claim**.

10. Insolvency or Liquidation of the Insured If the **Insured** becomes insolvent or is placed in liquidation receivership administration

or bankruptcy or enters into a voluntary arrangement or deed of arrangement or if any application is made to the court or meeting convened for any such purpose the **Insurer** has the right to immediately cease to provide indemnity for **Legal Expenses** or **Professional Expenses** notwithstanding any previous consent the **Insurer's Representative** may have granted.

11. Value Added Tax

If the **Insured** is registered for VAT the **Insurer** will not pay the VAT element of any **Legal Expenses** or **Professional Expenses**.

General Claims Conditions

1. Action by the Insured (not applicable to Section 4 - Legal Expenses)

On the happening of any event or circumstance which could give rise to a claim by the **Insured** under the Policy or on receiving verbal or written notice of any claim the **Insured** shall

- a) as soon as reasonably possible give notice to the **Insurer**
- b) immediately notify the Police in respect of any **Damage** caused by thieves or malicious persons and obtain a Crime Reference Number which must be advised to the **Insurer** as soon as reasonably possible
- c) immediately forward to the **Insurer** any writ or summons issued against the **Insured** by a third party
- d) take action to minimise the loss destruction or damage and to avoid interruption or interference with the **Business** and to prevent further loss destruction damage or injury
- e) at their own expense supply full details of the claim in writing to the **Insurer** together with any evidence and information that may be reasonably required by the **Insurer** for the purpose of investigating or verifying the claim and if demanded a statutory declaration of the truth of the claim and any matter connected with it within
 - i. 7 days of **Damage** caused by riot civil commotion strikers locked out workers or persons taking part in labour disturbances or malicious persons
 - ii. 30 days of expiry of the **Indemnity Period** in respect of Rent Receivable claims
 - iii. 30 days of the event or circumstance in the case of any other claim or of a request from the **Insurer**.

No settlement admission of liability payment or promise of payment shall be made to a third party without the prior written consent of the **Insurer**.

No claim under the Policy shall be payable unless the terms of this Condition have been complied with.

No theft or attempted theft claim under this Policy shall be considered unless notified to the Police in accordance with 1b) above and a Crime Reference Number obtained.

2. Rights of the Insurer

The **Insurer** shall

- a) be entitled at any stage to take over the defence or settlement of any claim made upon the **Insured** by any other party and to prosecute for its own benefit any claim for indemnity or compensation against any other persons in respect of any event insured by the Policy and at no cost to the **Insurer** the **Insured** shall give all assistance as may be reasonably required by the **Insurer**
- b) have the right to enter the **Premises** where the **Damage** has occurred and to keep possession of any **Property** insured without thereby incurring any liability or diminishing any of the **Insurer's** rights under the Policy and to deal with the salvage in a reasonable manner but the **Insured** shall not be entitled to abandon any **Property** to the **Insurer**
- c) at its option indemnify the **Insured** by payment reinstatement replacement or repair in respect of any **Property** lost or damaged or part thereof. If the **Insurer** elects to reinstate or replace any **Property** they shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the Sum Insured thereon.

3. Fraud

If any claim submitted under the Policy is in any respect

- a) fraudulent or
 - b) is intentionally exaggerated whether ultimately material or not or
 - c) fraudulent means are used or a false statement is made or a fraudulent declaration or device put forward in support of a claim
 - i. by the **Insured** or anyone acting on behalf of the **Insured** to obtain any benefit under the Policy or
 - ii. if any loss destruction or damage or legal liability be occasioned by the wilful act or with the connivance of the **Insured**
- all benefit under the Policy shall be forfeited.

The **Insurer** shall have the option to avoid the Policy (and any other Policy held by the **Insured** with the **Insurer**) from the inception date of this insurance and treat this Policy as if it had never existed or avoid from the date of the claim or alleged claim or avoid the claim.

In such circumstances the **Insurer** retains the right to keep the premium and to recover any sums paid by way of benefit under the Policy. The **Insurer** also retains the right to inform the Police of suspected fraud.

4. Conditions

Every Condition to which the Policy or any part thereof is or may be subject shall from the time the Condition attaches apply and continue to be in force during the whole currency of the Policy and non-compliance with any such Condition insofar as it increases the risk of loss destruction or damage shall be a bar to any claim in respect of such loss destruction or damage provided that whenever the Policy is renewed a claim in respect of loss destruction or damage occurring during the renewal period shall not be barred by reason of a Condition not having been complied with any time before the commencement of such period.

5. Contribution in respect of Sections 1 and 2

If in the event of **Damage** or liability under the Policy there shall be in force any other insurance effected by or on behalf of the **Insured** providing cover against such a claim

- a) the liability of the **Insurer** shall be limited to its rateable proportion of such a claim
- b) but which is subject to any provision excluding it from ranking concurrently with the Policy either in whole or in part or from contributing rateably to the claim then the liability of the **Insurer** shall be limited to such proportion of the claim as the Sum Insured bears to the value of the **Property**.

6. Arbitration

If any difference shall arise as to the amounts to be paid under the Policy such difference may at the **Insurer's** option be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Condition to be referred to arbitration

the making of an award shall be a condition precedent to any right of action against the **Insurer**. Any other difference shall be subject to the exclusive jurisdiction of the courts of England and Wales.

7. Claims Co-operation

The **Insured** will provide all help and assistance and co-operation required by the **Insurer** in connection with any claim.

Useful Information

Cancellation by the Insured

If this cover does not meet your requirements you have the right to cancel the Policy from inception. Please return all your documents and any certificate to the Broker Intermediary or Agent who arranged the Policy within 14 days of receipt.

We shall return any premium paid in full.

Termination

If you wish to terminate the contract at any other time please contact the Broker Intermediary or Agent who arranged the Policy.

How to make a claim

Please contact in the first instance the Broker Intermediary or Agent who arranged the Policy. Please quote your Policy Number.

Complaints

Policyfast Limited take pride in providing a first class service to the **Insured**, however occasionally a complaint may arise which will usually be resolved quickly and efficiently to the **Insured's** satisfaction.

If you have an enquiry or cause to make a complaint regarding your policy, you should firstly contact the Broker/Agent who arranged the insurance for you.

In the event your complaint is about Policyfast, please contact;

Operations Manager,
Policyfast Limited,
Unit 5,
Vantage Park,
Washingley Road,
Huntingdon,
PE29 6SR

Should you be unhappy with the service provided by LV= please contact us by phone on **0845 640 5500** or write to us at;

LV=,
County Gates,
Bournemouth,
BH1 2NF

E-mail: feedback@LV.com

Please quote the Policy Number in all correspondence.

A copy of our complaint handling procedure is available on request.

If we cannot resolve your complaint you may refer your complaint to the Financial Ombudsman Service within six months of receiving our final response letter.

The address is:

Financial Ombudsman Service,
South Quay Plaza,
183 Marsh Wall,
London,
E14 9SR

Telephone: **0800 023 4567** or **0300 123 9 123**
(from mobile or non BT lines)

E-mail: complaint.info@financial-ombudsman.org.uk

Making a complaint will not affect your right to take legal action.

Details about our Regulator

Liverpool Victoria Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Compensation

We are members of the Financial Services Compensation Scheme. You may be entitled to compensation from this scheme if we cannot meet our obligations, depending on the type of insurance and the circumstance of your claim.

Further information about the scheme is available from the FSCS website www.fscs.org.uk or write to;

Financial Services Compensation Scheme,
10th Floor,
Beaufort House,
15 St Botolph Street,
London,
EC3A 7QU.
Telephone 0800 678 1100 or 020 7741 4100.

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Underwritten by



Policyfast