



POLICY WORDING

ONLINE RESIDENTIAL PROPERTY OWNERS'

FROM SME & PL PROPERTY OWNERS DIVISION



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About Your Policy

This **Policy** has been produced by Pen Underwriting Limited a Managing General Agent of the **Insurers** stated in the **Schedule**. The **Insurers** have delegated authority to Pen Underwriting Limited to underwrite insurance and handle claims for **You** on their behalf.

This **Policy** wording explains the insurance provided under this contract. The **Policy** is a contract between **You** and the **Insurers** stated in the **Schedule** under the 'Identity of Insurers' **Endorsement**. Any reference in this document to '**We**', '**Us**', '**Our**' or the '**Insurer**' is a reference to the Insurer(s) stated on the **Schedule** under the 'Identity of Insurers' **Endorsement**. Any reference in this document to '**You**', '**Your**', or the '**Insured**' is a reference to the **Insured** stated on the **Schedule**.

Each section may include terms, definitions, conditions and exclusions unique to the section which should be read in conjunction with the **Policy's** General Definitions, General Conditions and General Exclusions.

The General Conditions and conditions as applicable to Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners' Liability) set out the parties' obligations that should be complied with.

An **Endorsement** forms an addition to the section and varies the insurance provided by the section.

The **Schedule** or appendix and any **Endorsement** should be read together for precise details of **Your** insurance protection.

Please take care to review all documentation carefully to ensure that the information provided accurately reflects **Your** circumstances and that the cover provided suits **Your** requirements.

You should pay particular attention to any terms marked up as **Condition Precedent** as well as any Condition or Exclusion including **Endorsements** which may require **You** to take action.

IMPORTANT

This **Policy** is a legal contract.

You have a duty to make a fair presentation of the risk pursuant to General Condition 7 (Fair presentation of the risk).

Therefore, **You** should ensure that any information **You** have provided to **Us** including the content of any application form, declaration and /or **Statement of Fact** is accurate and complete. Where **You** have provided **Us** with information which relates to matters of **Your** expectation or belief, it does not matter if such information turns out to be inaccurate provided that **You** acted in good faith when **You** provided **Us** with such information. If **You** do not comply with **Your** duty to make a fair presentation of the risk, **Your Policy** may not be valid or the **Policy** may not cover **You** fully or at all.

You must also tell **Us** about any facts or changes which affect **Your** insurance and which have occurred either since the **Policy** started or since the last renewal date.

If **You** are not sure whether certain facts are relevant, please speak with **Your** insurance broker. If **You** do not tell **Us** about relevant changes, **Your Policy** may not be valid or the **Policy** may not cover **You** fully or at all.

You should keep a written record (including copies of letters) of any information **You** give to **Us**, Pen Underwriting Limited or **Your** insurance broker.

This **Policy** contains (**CONDITION PRECEDENT**) which **You** must comply with or **We** will not pay a claim.

It is **Your** responsibility to maintain and look after **Your Premises** and **Property Insured**. This **Policy** is intended to provide **You** with cover against events that are sudden and unforeseen, for example fire or flood. **We** will not cover **You** for **Damage** that happens gradually over time like damp, or rot, or for **Damage** caused by wear and tear, or for, general maintenance costs such as repairs to defective rendering or general roof repairs.

Tom Downey
Chief Executive,
Pen Underwriting Limited



How to make a Claim

What to do in the event of a claim under Policy Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners' Liability)

At Pen Underwriting Limited, we understand that claims form a critical component of our offering the moment the **Policy** becomes tangible and we are relied upon to deliver upon our commitment to **You**.

Pen Underwriting Limited have assembled an experienced team who embody our three key principles of:

1. Partnership – working together to achieve the optimum outcome to the claim
2. Expertise – we employ staff and engage service providers who are experts in their field
3. No-nonsense – we apply a flexible and proactive approach to the claims process

You can notify **Your** claim in any of the following ways paying particular attention to the important Claims Conditions within the General Conditions

Telephone: 0333 010 7190

New Claims E-mail: uk.newclaims@penunderwriting.com

Existing Claims E-mail:

uk.penmanchesterclaims@penunderwriting.com

For claims occurring outside of normal office hours where immediate action is required, please contact 0161 838 6600

What to do in the event of a claim under Policy Section 4 (Residential Landlords Legal Expenses)

Please refer to the 'How to make a Claim' advice within Section 4 (Residential Landlords Legal Expenses)

Helplines

Legal Helpline – Policy Section 4: Residential Landlords Legal Expenses

Please refer to the 'Legal Helplines' advice within Section 4 (Residential Landlords Legal Expenses)

Oil / Chemical Spill Response 0333 333 9973

Call 0333 333 9973 (24 hours, 365 days) to speak to one of our qualified incident advisors for free initial telephone advice.

If the advisor and **You** feel further intervention is needed **We** will mobilise a response team to the site to take charge of the situation. Additional remediation and restoration work can be carried out if required (additional charges may apply).

Customer Information

Registration and Regulatory information for Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners' Liability)

Pen Underwriting Limited is authorised and regulated by the Financial Conduct Authority (FCA number 314493). Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 5172311. www.penunderwriting.co.uk

Insurance cover under Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners' Liability) is provided by the **Insurers** as identified in the 'Identity of Insurers' **Endorsement** within the **Schedule**. Pen Underwriting Limited are the agents of the **Insurers**.

Registration and Regulatory information under Section 4 (Residential Landlords Legal Expenses)

Insurance cover under Section 4 (Residential Landlords Legal Expenses) is provided by the Insurers as identified in the 'Identity of Insurers' **Endorsement** within the **Schedule**. Pen Underwriting Limited are the agents of the **Insurers**.

You can check the regulatory status of each firm on the Financial Services Register by visiting the FCA's website www.fca.org.uk/register.

How to make a Complaint under Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners' Liability)

At Pen Underwriting Limited, it is always our intention to provide a high level of service. However, it is appreciated that occasionally things go wrong. In some cases the broker who arranged the insurance will be able to resolve any concerns particularly if it relates to the way **Your Policy** was sold and **You** should contact them directly in the first instance. They will do their best to address the problem and satisfactorily resolve at this stage.

Alternatively, **You** can complain by contacting Pen Underwriting Limited (as per the contact details below) quoting **Your Policy** and/or Claim number. We will investigate **Your** concerns.

When **You** contact us, we promise to;

- fully investigate **Your** complaint
- keep **You** informed of progress
- do everything possible to resolve **Your** complaint
- learn from our mistakes; and
- use the information from **Your** complaint to proactively improve our service in the future.

Address:
Pen Underwriting Limited Complaints
3rd Floor Spectrum Building
55 Blythswood Street
Glasgow G2 7AT

Telephone: 0141 285 3539
Email: pencomplaints@penunderwriting.com

How to make a Complaint Section 4 (Residential Landlords Legal Expenses)

Please refer to Section 4 – Residential Landlords Legal Expenses

Financial Ombudsman Services

You can also contact **Your Insurer**, contact details can be found in the **Schedule** under the 'Identity of Insurers' **Endorsement**.

Should **You** remain dissatisfied having received a Final Response to **Your** complaint and **You** fit the definition of an 'eligible complainant', **You** may then be able to refer **Your** complaint to the Financial Ombudsman Service (FOS). Please note that the FOS allow 6 months from the date of the Final Response to escalate **Your** complaint to them.

Further details on eligibility and the referral process can be found on the FOS Website.

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

Telephone: 0800 023 4567 (for landline users)
0300 123 9123 (for mobile users)
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financialombudsman.org.uk

Your rights

We must accept the Ombudsman's final decision, but **You** are not bound by it and may take further action if **You** do not accept it.

Your rights as a customer to take legal action remain unaffected by the existence or use of our complaint's procedure. However, the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

Please note that the Financial Ombudsman Service will only consider complaints if **You** have given us the opportunity to resolve **Your** concern and **You** are:

- a consumer;
- an enterprise which employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed €2 million;
- a charity with an annual income of less than £1 million; or

- a trustee of a trust with a net asset value of less than £1 million.

How to Cancel Your Policy – All Sections Your Right to Cancel

You have the right to cancel the insurance policy within fourteen (14) days of receiving the **Policy** documentation and receive a full refund of any premium paid, provided that there have been no claims either paid, reported or outstanding. For the purposes of this cancellation clause, it will be deemed that **You** will have received the **Policy** document on the business day following the date it was posted to **You** by first class post or, if sent by e-mail, the day the e-mail was sent provided it was sent before 4pm (if sent after 4pm, it will be deemed that **You** will have received the **Policy** document on the business day following the date it was sent).

If **You** do cancel this insurance within the initial fourteen (14) day period, then no cover will have been in place from the date of inception, as specified in the **Schedule** and no liability whatsoever shall attach to the **Insurers** in respect of the **Policy**.

If **You** do not exercise **Your** right of cancellation within the initial fourteen (14) day period, this insurance **Policy** will automatically come into force from the inception date specified in the **Schedule**. **You** will remain liable to pay the full annual premium. Following the expiry of the initial fourteen (14) day period, this insurance **Policy** may be cancelled at any time at **Your** written request by giving notice and providing there has not been a claim **Insurers** will refund a proportionate part of **Your** premium.

To exercise **Your** right to cancel, contact the broker who arranged this cover for **You**.

Financial Services Compensation Scheme

The providers of this insurance as defined in this **Policy** are covered by the Financial Services Compensation Scheme (FSCS). If they cannot meet their obligations **You** may be entitled to compensation under this scheme depending on the type of insurance and the circumstances of the claim.

You are covered for 90 per cent of the claim without any upper limit. However, for compulsory classes of insurance **You** may be covered for 100 per cent of the claim without any upper limit.

Financial Services Compensation Scheme
10th Floor Beaufort House
15 St Botolph Street
London
EC3A 7QU

Telephone 020 7741 4100
Email: enquiries@fscs.org.uk
Website: www.fscs.org.uk

Data Protection – How We use Your information

Pen Underwriting Limited are the data controller of any personal data **You** provide to us. We collect and process

personal data in order to offer and provide insurance services and policies and to process claims. Personal data is also used for business purposes such as fraud prevention and detection, financial management, to generate risk modelling, conduct analytics including to advise, improve and develop our products and services and to comply with our legal and regulatory obligations. This may involve sharing information with, and obtaining information from, our group companies and third parties such as (re)insurers, other brokers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators or fraud prevention agencies.

We may record telephone calls to help us to monitor and improve the service we provide as well as for regulatory purposes.

Please see our Privacy Notice for further information on how **Your** personal data is used, shared, disclosed and retained, your rights in relation to your personal data and how to contact our Data Protection Officer. Our Privacy Notice can be found at <https://www.penunderwriting.co.uk/Privacy-Policy>. From time to time we may make important updates to our Privacy Notice and these may in turn affect the way we use and handle your data. Please ensure you review our Privacy Notice periodically to ensure you are aware of any changes.

If **You** are entering into this agreement in the course of **Your Business**, or as a charity, for charitable purposes and providing information on other individuals to us, for example **Your Employees** and/or any other party that would be covered under the insurance policy we may be placing or services we may provide to **You**, you shall ensure that individuals whose personal data you are providing to us have been provided with fair processing notices that are sufficient in scope and purpose, and that you have obtained all appropriate consents, where required, or are otherwise authorised, to transfer the personal data to us and enable us to use the personal data and process the personal data for the purposes of this agreement and as set forth in our Privacy Notice. **You** must not share personal data with us that is not necessary for us to offer, provide or administer our services to **You**.

Fraud Prevention and Detection

In order to prevent or detect fraud **we** will check **Your** details with various fraud prevention agencies, who may record a search. Searches may also be made against other insurers' databases. If fraud is suspected, information will be shared with those insurers. Other users of the fraud prevention agencies may use this information in their own decision making processes. **We** may also conduct credit reference checks in certain circumstances. **You** can find out further details explaining how the information held by fraud prevention agencies may be used or in which circumstances **we** conduct credit reference checks and how these checks might affect **Your** credit rating by contacting us.

Disclosure of Other People's Personal Information

You should show this notice to anyone whose personal information **You** provide to us. **You** must ensure that any such information **You** supply relating to anyone else is accurate and that **You** have obtained their consent to the use of their data for the purposes set out above.

Consent

By providing us with information, **You** also provide us with **Your** consent and that of any other person whose information **You** provide, to the personal information being used for the purposes set out above.

Employers' Liability Tracing Office

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

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

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on or who carried on business in the UK and who are covered by the employers' liability insurance of their employers (the Claimants):

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment and
- to identify the relevant employers' liability insurance policies. The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the Claimants their appointed representatives insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance policy **You** will be deemed to specifically consent to the use of **Your** insurance policy data in this way and for these purposes.

The Law That Governs This Policy

This **Policy** shall be governed and construed in accordance with English law and shall be resolved within the exclusive jurisdiction of the courts of England and Wales.

Introduction applicable to Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners' Liability)

This **Policy** consist of each Section of this **Policy**, this Introduction, Customer Information, General Definitions, General Conditions, General Exclusions, various Sections the **Schedule** and any **Endorsement** together shall be read as one document.

Any word or expression given a specific meaning in:

- 1) the **Schedule** any **Policy Endorsement** or this Introduction, Customer Information and the General Definitions, Exclusions, and Conditions shall have the same meaning throughout the **Policy** unless stated otherwise
- 2) an individual Section or any Section **Endorsement** shall have the same meaning throughout such Section or **Endorsement** only unless stated otherwise.

Any such word or expression given a specific meaning shall be highlighted with a leading capital letter and are bold within the **Policy** wording.

In return for **You** having paid or agreed to pay the premium for the **Period of Insurance**, **We** will indemnify **You** by payment or, at **Our** option, by **Reinstatement** , in respect of loss, liability, destruction, **Damage**, accident or injury, to the extent of and subject to the terms contained in or endorsed on the **Policy**.

The **Schedule** shows the Sections of the **Policy** that are 'operative'.

General Definitions applicable to Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners' Liability)

Certain words in this **Policy** have special meanings. These words and their meanings are detailed below. The definition applies wherever the words begin with a capital letter and are in bold.

Act of Terrorism

An act or series of acts including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious, or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

Bodily Injury

Accidental injury not including sickness, disease or any naturally occurring condition or degenerative process or any gradually operating cause.

Buildings

Buildings of the **Premises** stated in the **Schedule** including:

- a) landlord's fixtures and fittings;
- b) tenants' improvements if **You** are responsible and property comprising fixtures and fittings (but excluding movable contents) formerly the property of tenants but relinquished to the **Insured** at the time of the surrender of the lease;
- c) all foundations or footings;
- d) walls, gates, fences, yards, forecourts, car parks, driveways and service areas;
- e) all fixed glass in windows, doors, fanlights, skylights and partitions and fixed sanitary fittings;
- f) private roads, pavements, pedestrian malls, associated lamp-posts, associated telegraph poles and other street furniture;
- g) fixed fuel oil tanks, fixed diesel fuel tanks and fixed liquefied petroleum gas tanks;
- h) security lighting, security cameras and other security devices, fire protection devices, signs, communication aerials and similar devices;
- i) landscaping, turf, external trees and plants, planters, ornamental features, ponds, statues and garden furniture;
- j) permanently installed hot tubs and swimming pools (but not including covers) and tennis courts, used by tenants for domestic and leisure purpose and roof gardens; and

- k) professionally installed solar panels and professionally installed wind turbines

Business

Your trade described in the **Schedule**.

Claim

A written demand, notice, or other written communication received made by a **Claimant** and brought against the **You** asserting liability or responsibility for **Compensation** or relief.

Claimant

Any third party making a Claim against **You**.

Communicable Disease

Any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and
- b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
- c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten **Damage** to, deterioration of, loss of value of, marketability of or loss of use of **Property Insured**.

Computer System

Any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the **Insured** or any other party.

Condition Precedent

A condition which must be complied with by **You** before **We** are liable for a claim.

Compensation (Applicable to Section 2 Employers' Liability and Section 3 Property Owners' Liability)

- a) Monetary compensation which a **Claimant** is legally entitled to recover from **You** in civil proceedings but excluding:
 - i) aggravated, punitive and exemplary damages;
 - ii) criminal fines and penalties; and
- b) a **Claimant's** legal costs and expenses which the **Insured** is legally liable pursuant to any **Claim**.

Contents

- a) Common Parts

The contents of common parts including fitted carpets, fixtures and fittings and for which **You** are responsible furniture, furnishings, potted plants and their containers fixtures and fittings, signs, contents of fixed fuel oil tanks, contents of fixed liquefied petroleum gas tanks, contents of fixed diesel fuel tanks, refuse disposal bins and skips whilst contained in or about the **Buildings** insured by this **Policy**.

- b) Residential Accommodation

Furniture, furnishings, carpets, audio visual equipment and other household goods in any self-contained flat or other private dwelling at the **Premises** belonging to **You** or for which **You** are responsible.

Costs and Expenses (Applicable to Section 2 (Employers' Liability) and Section 3 (Property Owners' Liability))

Your reasonable legal costs and expenses necessarily incurred with **Our** written consent (such consent not to be unreasonably withheld or delayed) by, or on **Your** behalf of in the investigation, defence, settlement or appeal of any **Claim** or matter which is covered (or it is upheld, would be covered) under the **Policy**.

Provided that **We** shall not be liable for **Costs and Expenses**:

- i) where in the written opinion of Senior Counsel (whose appointment is at **Our** sole discretion) is that Costs and Expenses should not extend, or continue to extend to the support of the defence of the **Claim** because **You** have no reasonable prospects of success;
- ii) for an actual or alleged breach of the Health and Safety Work etc. Act or Health and Safety at Work (Northern Ireland) (and/or any legislation of similar effect);
- iii) for an actual or alleged breach of the Consumer Protection Act 2007 (and/or any legislation of similar effect);
- iv) for an actual or alleged breach of the Corporate Manslaughter and Corporate Homicide Act 2007 (and/or any legislation of similar effect);
- v) arising out of the defence of any proceedings in a Court Order for Summary Jurisdiction in respect of matters which may form the subject of Indemnity by this **Policy**.

Costs and Expenses does not include **Your** costs, overheads or time.

Cyber Act

Any unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

Cyber Incident

- 1) Any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of **any Computer System**; or
- 2) Any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.

Cyber Loss

Any loss, **Damage**, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**.

Damage(d)

Any physical loss or destruction of or damage to tangible property

Data

Any information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

Data Processing Media

Any **Property** Insured by the **Policy** on which **Data** can be stored but not the **Data** itself.

Data Protection Legislation

The General Data Protection Regulation, the UK Data Protection Act 2018 where and to the extent that English Law is applicable, and European Directive 2002/58/EC and any legislation and/or regulation implementing or made pursuant to them, or which amends, replaces, re-enacts or consolidates any of them, and all other applicable laws relating to processing of personal data, privacy and cybersecurity which may exist in any relevant jurisdiction, including, where applicable, the guidance and codes of practice issued by supervisory authorities.

Denial of Access

Nuisance, trespass or interference with any easement, right of air, light, water or way.

Employee

Any natural person who is:

- a) under a contract of service or apprenticeship with **You**;
- b) a labour master or labour only subcontractor or persons supplied by any of them;
- c) under a work experience scheme; or
- d) hired or borrowed by the **Insured** from another employer.

and working for the **Insured** in connection with the **Business** while under the **Your** direct control or supervision.

Endorsement

A change in the terms and conditions of this insurance as shown in the **Schedule**.

Excess

The amount stated in this **Policy**, the **Schedule** or any **Endorsement** to this **Policy** for which **You** are responsible and which will be deducted from any payment under this **Policy** as ascertained after the application of all other terms and conditions of this **Policy**.

Limit of Liability

Our maximum liability under this **Policy** as stated in the **Schedule**.

Money

Cash, bank and currency notes, postal orders, cheques, banker's drafts, bills of exchange, unused units in postage stamp franking machines, postage stamps, revenue stamps, National Savings certificates, National Insurance stamps, stamped or franked National Insurance cards, Holiday-with-Pay stamps, Premium Savings Bonds, luncheon vouchers, trading stamps, Phonecards (excluding Phonecards held in stock for resale), credit card sales vouchers, consumer redemption vouchers and gift tokens accepted by the **Insured** and VAT purchase invoices, all pertaining to the **Business** and belonging to or the responsibility of **You**.

Nuclear Installation

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation adapted for:

- a) the production or use of atomic energy
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiation
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the production or use of nuclear fuel.

Nuclear Reactor

Any plant including any machinery, equipment or appliance whether affixed to land or not designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Occurrence

Any accident or event, including continuous and repeated exposure to substantially the same general harmful conditions which gives rise to a liability covered under the **Policy** neither expected nor intended by **You**.

All single accidents or events attributable to one original source or cause will be considered as a single Occurrence.

Perils Insured

A specified peril as listed under 'The Perils Insured' of Section 1 (Property Damage) of this **Policy**.

Period of Insurance

The period beginning with the effective date and ending with the expiry date both shown in the **Schedule**.

Personal Injury

Accidental **Bodily Injury**, illness or disease (including death).

Policy

This document, the **Schedule** (including any substitution **Schedule**) and any **Endorsements**.

Pollutants

Any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to dust, smoke, vapor, soot, fumes, acid, alkalis, chemicals and waste.

For the purposes of this definition 'waste' includes Property to be recycled, reconditioned or reclaimed and 'Pollutants' does not include bacteria, viruses or other pathogens.

Pollution

The actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of any **Pollutant**.

Pollution or Contamination

Pollution or contamination of the atmosphere, water, land or tangible property caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place.

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

Premises

The **Buildings** or part of the **Buildings** specified in the **Schedule** as comprising the premises and which are owned by **You** or for which **You** are legally responsible.

Products

Any commodities or goods or anything including packaging, containers and labels sold, supplied, hired out, constructed, erected, installed, treated, repaired, serviced, processed, stored, handled, transported or disposed of by or on behalf of **You** or any structure constructed, erected or installed or contract work executed by or on behalf of **You** in the course of the **Business**.

Professional Fees

Reasonably and necessary incurred professional fees relating to instructing architects', surveyors', legal or consulting engineers' fees required to provide information or evidence **You** may require for investigating a claim under this **Policy**.

Property Damage

Accidental physical loss of or Property damage to or destruction of tangible property.

Property Insured

The property insured stated in the **Schedule**.

Reinstatement

- a) The replacement or rebuilding of property lost or destroyed which provided that the **Our** liability is not increased may be carried out:
 - i) in any manner suitable to **Your** requirements
 - ii) upon another site
- b) The repair or restoration of the property damaged

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its

Rent Receivable

The amount of the rent, turnover rent, service charges, insurance premiums and any other income or revenue received or receivable from the letting of the **Premises** and services rendered thereat.

Rent Reduction

The actual amount of the reduction in the **Rent Receivable** by **You** during the **Indemnity Period** solely in consequence of the **Damage** less any savings that result from reduced costs and expenses during the same period and less any **Rent Receivable** from the provision of alternative accommodation

Sanitaryware

Any washbasins, sinks, bidets, toilet pans and cisterns, shower trays, shower screens, baths and bath panels.

Schedule

Shall include:

- a) the documents headed 'Property Owners Schedule' and

- b) any document that specifies **You** details, the **Premises**, the **Property Insured**, any **Excess**, **Endorsement** and Conditions applicable.

Statement of Fact

This is a record of the information that **You** have provided to **Us** about **You** and **Your Business** upon which **Your** insurance is based.

Sub Limit

Our maximum liability under a specified Section, Extension, clause or other part of this **Policy** and is the amount stated in the **Schedule**.

Sum Insured or Total Sum Insured

The sum insured as stated in the **Schedule**.

Territorial Limits

- a) in respect of Section A (Property Damage) the **Premises** situated anywhere in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.
- b) in respect of Section 2 (Employers' Liability) and 3 (Property Owners' Liability) anywhere with the limits of Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with the **Business**; and
- c) in respect of Products Liability under clause d) of the Basis of Cover under Section 3 (Property Owners' Liability) anywhere in the world (excluding the United States of America and territories) in respect of **Products** supplied in or from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Unoccupied

Any part of a building of the **Premises** stated in the **Schedule** which is empty, disused, unfurnished or no longer in active use by the **Insured** or any of the **Insured's** tenants.

War

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power or confiscation by order of any public authority or government de jure or de facto or martial law but not including an **Act of Terrorism**.

We/Us/Our/Insurers

The Insurers whose identity is stated in the 'Identity of Insurers' **Endorsement** within the **Schedule**.

You/Your/Insured

The person(s) or Company named in the **Schedule**.

General Conditions applicable to Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners' Liability)

The following General Conditions apply to all Sections of the **Policy** unless otherwise stated and are in addition to the Conditions contained in each Section.

1 Application of Limits

Irrespective of the number of claims or **Premises** giving rise to indemnity, or the number of **Insureds**, Composite Insureds and all other persons entitled to claim under the **Policy**:

- a) **Our** maximum liability during the **Period of Insurance** under any Section shall not exceed the applicable **Limit of Liability, Sum Insured or Total Sum Insured** or limit as stated on the **Schedule**.
- b) **Our** maximum liability during the **Period of Insurance** under any Extension shall not exceed the applicable **Sub-Limit or Limit of Liability, Sum Insured or Total Sum Insured** on the **Schedule**.
- c) Other than in respect of the Employers' Liability (Section 2 (to which this provision c) does not apply) where an **Occurrence** gives rise to indemnity under two or more Basis of Covers under Sections 1 (Property Damage), 2 (Employers' Liability) and 3 (Property Owners Liability) **Our** liability for all claims arising out of that **Occurrence** shall not exceed the single greatest applicable **Limit of Liability, Sum Insured or Total Sum Insured** and the availability of cover under one Section shall not in any way extend or increase the indemnity available under any other Section providing an indemnity for the **Occurrence**;
- d) **You** and all other persons entitled to indemnity or benefit under this **Policy** will be treated as one (1) party or legal entity so that there will only be a single contract of insurance between **Us** as one (1) party and **You** and all other persons entitled to indemnity or benefit as the other party;
- e) **We** shall not be liable for any applicable **Excess** specified in the **Schedule**.

2 Arbitration

If **We** admit liability for a claim but there is a dispute as to the amount to be paid the dispute will be referred to an arbitrator. The seat, or legal place, of arbitration shall be England and the language used in the arbitral proceedings shall be English.

The dispute shall be determined by a sole arbitrator who shall be jointly agreed by the parties within thirty (30) days of the reference to the arbitration. In absence of agreement between the parties, an arbitrator shall be appointed by the President of the Chartered Institute of Arbitrators.

The making of an award will be a condition precedent to any right of action against **Us**.

3 Change in circumstances

You must notify **Us** as soon as possible during the **Period of Insurance** if there is any change in circumstances or to the **Property** facts previously disclosed by **You** to **Us** or stated as **Property** facts by **Us** to **You** which increases the risk of accident, injury, loss, **Damage** or liability.

Upon notification of any such change **We** will be entitled to vary the premium and terms for the rest of the **Period of Insurance**. If the changes make the risk unacceptable to **Us** then **We** are under no obligation to agree to make them and may no longer be able to provide **You** with cover.

If **You** do not notify **Us** of any such change then **We** may exercise one or more of the options described in the General Condition 7 (Fair Presentation of the Risk) but only with effect from the date of the change in circumstances or **Property** facts.

4 Condition of Average (Underinsurance) applicable to Section 1 (Property Damage) only

The **Sum Insured** by each item other than those applying solely to Fees, Rent or Removal of Debris and in respect of each separate property insured is declared to be separately subject to Average.

Where a **Sum Insured** is declared subject to Average if such sum is at the commencement of any **Damage** is less than 85% of the total value of the property covered within such **Sum Insured** the amount payable by **Us** in respect of such **Damage** will be proportionately reduced.

This condition will not apply provided that **You** have carried out valuations utilising qualified RICS (Royal Institution of Chartered Surveyors) members at intervals of not more than 3 years and:

- a) where necessary increased the **Sums Insured** to at least the amount stated in the valuation; and
- b) made appropriate allowance in **Sums Insured** for inflationary increases in the period between valuations.

5 Conditions and Similar Clauses

Where:

- (i) there has been a failure to comply with a term (express or implied) of this **Policy**, other than a term which defines the risk as a whole; and
- (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, **We** cannot rely on the breach of such term to exclude, limit or discharge its liability if **You** show that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **You** breach any condition in this **Policy**, **Our** liability under the **Policy** shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied).

We will have no liability to **You** for any loss which occurs, or which is attributable to something happening, during the period when **Our** liability is suspended.

6 Contracts (Rights of Third Parties) Act 1999

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

7 Fair presentation of the risk

1. Fair presentation

Before the start of the **Policy**, **You** must provide a fair presentation of the risk. This is a presentation that discloses in a reasonably clear and accessible manner all material facts which **You**, including **Your** senior management, know or ought to know after having made a reasonable search. A material fact is any fact that might materially affect **our** decision to insure **You**, or as to the terms on which we do so.

2. Deliberate failure to make a fair presentation

If **You** deliberately or recklessly fail to give **us** a fair presentation of the risk then **We** can avoid the **Policy**. This means the **Policy** will be treated as if it never existed. If this happens:

- a. **We** will not make any payment under the **Policy**;
- b. **You** must repay all amounts paid by **us** under the **Policy**; and
- c. **We** will be entitled to keep the **Policy** premium.

3. Non-deliberate failure to make a fair presentation

If **You** fail to give **Us** a fair presentation of the risk but **Your** failure was neither deliberate nor what

We would have done if **You** had given **Us** a fair presentation. **Our** options are as follows:

- a. if **We** would not have entered into the **Policy** at all then **We** can avoid the **Policy**. This means the **Policy** will be treated as if it never existed. If this happens, **We** will not make any payment under the **Policy** and **you** must repay all amounts already paid by **Us**. **We** will return the **Policy** premium to **You**;
- b. If **We** would have entered into the **Policy**, but on different terms (other than as to the premium), the **Policy** will continue in force as if the terms **We** would have applied had been in place from the start of the **Period of Insurance**; and
- c. if **We** would have entered into the **Policy**, but charged a higher premium, the amount **We** pay for any claim under the **Policy** will be limited to the percentage of the claim that the premium charged bears to the premium **We** would have charged. For example, if the premium **We** charged is 80% of the premium **We** would have charged, **We** will only pay 80% of any claim. This applies to all claims under the **Policy**, so **You** may be required to repay a portion of any claims payments already made by **Us**.

Please note that both b. and c. above can apply at the same time.

8 Flats

The **Sum Insured** under Section 1 (Property Damage) for **Buildings** represents the value of that portion of the **Buildings** owned by **You** (including external walls, roof and foundations and such common parts of the **Buildings** for which **You** are legally responsible).

In the event of **Damage** occurring at the **Premises** during the **Period of Insurance** resulting from an **Insured Peril** to any part of the **Premises** not occupied by **You**, but for which **You** are legally responsible, **We** will only pay such proportion of the loss as the **Sum Insured** bears to the **Reinstatement** value of the **Buildings**.

9 Holiday Home (CONDITION PRECEDENT)

It is a **Condition Precedent** to **Our** liability under this **Policy** that if the **Premises** are a holiday home **You** must comply with the following:

- 1) Ensure that all protections provided for the security of the **Premises** are:
 - i) maintained in good working order; and
 - ii) in full and effective operation with the keys removed whenever the **Premises** are left unattended (unless the keys are contained in a key safe installed and maintained in accordance with the manufacturer's instructions); and

iii) are not withdrawn or varied unless agreed by **Us**.

2) **You** or **Your** representative must internally and externally inspect the **Premises** at least every fourteen (14) days and:

- i) **You** must maintain a written record of dates and times of the inspections and any observations, actions undertaken; and
- ii) **You** must arrange for the removal of all waste including accumulation of mail;
- iii) if requested **You** must supply to **Us** or **Our** representatives these records.

10 House in Multiple Occupants HMO (CONDITION PRECEDENT)

it is a **Condition Precedent** to **Our** liability under this **Policy** that **You** must:

- i) contact the local authority in relation to the **Premises** to establish whether it is classed as a HMO property; and
- ii) if the **Premises** are classed as an HMO property **You** must comply with all HMO licencing requirements; and
- iii) if requested **You** must supply to **Us** or **Our** representatives documentary evidence of i) and ii) above.

11 Inspection of the Premises (CONDITION PRECEDENT)

It is a **Condition Precedent** of **Our** liability under the **Policy** that **You** or **Your** representative must inspect the **Premises** internally, including the loft area and externally at least once every six (6) months whilst the **Premises** are occupied by a tenant.

You must maintain a written record of dates and times of the inspections and any observations, actions undertaken.

If requested **You** must supply to **Us** or **Our** representatives these records.

12 Insurer's Right to Cancel

We have the right to cancel **Your Policy** where there is a valid reason for doing so. **We** will give **You** thirty (30) days' notice of cancellation in writing, by recorded delivery, to the latest address **We** have for **You** and will set out **Our** reasons for cancellation in **Our** letter.

Valid reasons may include but are not limited to:

- a) Not paying a premium which is due
- b) Not co-operating with **Us**, or sending **Us** information or documentation that materially affects **Our** ability to process the policy or **Our** ability to defend **Our** interests

c) Not exercising **Your** duty of care as required under the "Reasonable Precautions" Condition in the General Conditions section of this **Policy** document

d) Where **We** reasonably suspect fraud or where there has not been a fair presentation of information

If a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**, **We** will not refund any part of the premium.

If **We** cancel **Your** policy on the grounds of fraud, cancellation may be immediate and **We** may retain any refund due. **We** may also inform the police of the circumstances.

For **Your** rights to cancel the **Policy** please see "Customer Information, How to Cancel Your Policy – All Sections" of this **Policy** document

13 Legislation (CONDITION PRECEDENT)

It is a **Condition Precedent** of **Our** liability under the **Policy** that **You** must comply with all current landlord legal responsibilities and requirements under applicable legislation.

If requested, **You** must provide a copy of any documentation to **Us** or **Our** representative.

14 Other Interests

It is agreed that the interest of third parties which **You** are required to include under the terms of any mortgage, property lease, hiring lease or hire purchase agreement are noted at the request of **You**. **You** undertake to declare the names, nature and extent of such interests at the time of the **Damage**.

15 Owner Occupation (CONDITION PRECEDENT)

It is a **Condition Precedent** of **Our** liability under the **Policy** that **You** must not occupy the **Premises** unless agreed by **Us**.

This **Condition Precedent** does not apply if **You** occupy the **Premises** as a holiday home less than 90 days in any one **Period of Insurance**.

16 Unoccupied Buildings (CONDITION PRECEDENT) applicable to Section 1 (Property Damage)

In respect of the **Premises** that has become **Unoccupied** for 45 consecutive days ('the **Unoccupied** area'):

- a) the **Excess** applicable to the **Unoccupied** area will be £500 or the **Excess** stated in the **Schedule** whichever is the higher
- b) it is a **Condition Precedent** to **Our** liability to make payment under this **Policy** for **Damage** in respect of the **Unoccupied** area occurring forty five (45) days or more from the date **You** became aware of the unoccupancy that at the happening of the **Damage**:

- i) **You** have previously notified **Us** of the unoccupancy and the date on which **You** became aware of it;
- ii) all gas and electrical services within the **Unoccupied** area except electrical circuits required to maintain any fire or intruder alarm system have been isolated;
- iii) the water system within the **Unoccupied** area is either isolated and completely drained or its central heating systems have been set at a minimum temperature of 5 degrees Celsius during the period 1st October to 1st April each year;
- iv) where sprinkler systems are installed and water supplies must be maintained heating is being maintained at a minimum temperature of 5 degrees Celsius;
- v) the **Unoccupied** area's letter box and other unprotected apertures have been permanently sealed;
- vi) all combustible contents and waste from within the **Unoccupied** area of the building and yard areas belonging to it have been removed;
- vii) the **Unoccupied** area has been secured against unlawful entry by closing and locking its doors and windows and setting all its security and alarm systems;
- viii) the **Unoccupied** area is subject to a programme of comprehensive internal and external inspections undertaken by an authorised representative of **Yours** to ensure continuing compliance with the other terms of this condition. Inspection to commence within the initial forty five (45) days following **You** becoming aware the property is **Unoccupied** and to continue at intervals not exceeding 14 days thereafter. Inspection results to be recorded and retained at a separate location during the period of unoccupancy;
- ix) any new accumulations of combustible materials including but not limited to junk mail found during such inspections are immediately removed;
- x) **You** have notified **Us** within seven (7) days in the event of **Damage** or unauthorised entry to the **Unoccupied** area becoming evident or known to **You** or **Your** authorised representative.

17 Reasonable Care

You will take all reasonable steps to:

- a) protect the **Property Insured**
- b) comply with statutory enactments, bye-laws and any other obligations and regulations imposed by any authority

- c) employ only competent **Employees**
- d) prevent accidents; and
- e) maintain all ways, works machinery and plant in sound condition.

In the event of the discovery of any defect or danger **You** will forthwith cause such defect or danger to be made good or remedied and in the meantime will cause such additional precautions to be taken as the circumstances may require.

18 Renovation or Refurbishment Works (CONDITION PRECEDENT)

It is a **Condition Precedent** to **Our** liability under this **Policy** that if **You** or any person on **Your** behalf intends to undertake any renovation or refurbishment work to the **Buildings** that **You** must advise **Us** fourteen (14) days prior to any renovation or refurbishment work commencing.

This **Condition Precedent** does not apply to redecoration work only.

19 Sanctions

It is a condition of this insurance, and **You** agree, that the provision of any cover, the payment of any claim and the provision of any benefit hereunder shall be suspended, to the extent that the provision of such cover, payment of such claim or provision of such benefit by **Us** would expose that **Us** to any sanction, prohibition or restriction under any:

- a. United Nations' resolution(s); or
- b. the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Such suspension shall continue until such time as the (re)insurer would no longer be exposed to any such sanction, prohibition or restriction.

20 Subletting of the Premises (CONDITION PRECEDENT)

In the event **You** wish to permit subletting of the **Premises** during the **Period of Insurance**, it is **Condition Precedent** to **Our** liability that **We** are notified by **You** and **We** agree in writing prior to the commencement of any sub-letting of the **Premises**.

21 Subrogation Waiver

We agree to waive any rights, remedies or relief to which **We** might become entitled by subrogation against any tenant or lessee in respect of **Damage** or loss to that portion of the **Premises** in the demise of that tenant or lessee or to those portions of the **Premises** in which all the tenants have a common interest where the premium has been paid by the tenant or lessee but excluding loss or **Damage** arising out of the tenant's or lessee's gross negligence or as a result of the tenant's or lessee's willful act or recklessness.

22 Tenancy Agreement (CONDITION PRECEDENT)

It is a **Condition Precedent** to **Our** liability under this **Policy** that whilst the **Premises** are tenanted **You**:

- 1) hold with the tenant(s) a valid tenancy agreement. A tenancy agreement may be any of the following:
 - i) Assured Shorthold Tenancy Agreement (AST);
 - ii) Assured Shorthold Tenancy Agreement (Room only);
 - iii) Company Let Agreement;
 - iv) No Assured Tenancy Agreement;
 - v) Holiday Letting Agreement; and
- 2) if requested **You** must supply to **Us** or **Our** representatives a copy of the tenancy agreement.

General Exclusions applicable to Sections 1 (Property Damage), 2 (Employer's Liability) and 3 (Property Owners' Liability)

The following General Exclusions apply to all Sections of the **Policy** unless otherwise stated and are in addition to the Exclusions contained in each Section.

This **Policy** does not insure any payment, loss, liability, **Damage, Property Damage, Claim**, cost, expense or other sum, directly or indirectly arising out of:

1 Communicable Diseases

with any:

- a) **Communicable Disease**;
- b) fear or threat (whether actual or perceived) of any **Communicable Disease**;
- c) any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of any **Communicable Disease**; or
- d) any cost to clean-up, detoxify, remove, monitor or test for a **Communicable Disease**.

This Exclusion does not apply with cover afforded under the Section 2 (Employers' Liability) and Terrorism Buy Back Cover applicable to Section 1 (Property Damage)

2 Cyber and Data Exclusion

from any:

- a) **Cyber Loss**, unless subject to the provisions of paragraph
- b) loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**, unless subject to the provisions of paragraph 3 (below);

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

- 2 Subject to all the terms, conditions, limitations and exclusions of this **Policy** this **Policy** covers physical loss or physical **Damage to Property Insured** by any ensuing fire or explosion which directly results from a **Cyber Incident**, unless that **Cyber Incident** is caused by, contributed to by, resulting from, arising out of or in connection with a **Cyber Act** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act**.

3. Subject to all the terms, conditions, limitations and exclusions of this **Policy** or any **Endorsement** thereto, should **Data Processing Media** owned or operated by the **You** suffer physical loss or physical **Damage** insured by this **Policy**, then this **Policy** will cover the cost to repair or replace the data processing media itself plus the costs of copying the **Data** from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the **Data**. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank **Data Processing Media**. However, this **Policy** excludes any amount pertaining to the value of such **Data**, to **You** or any other party, even if such **Data** cannot be recreated, gathered or assembled.

4. In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

This Exclusion does not apply with cover afforded under the Section 2 (Employers' Liability)

3 Data Protection

any actual or alleged breach of **Data Protection Legislation**.

4 Deliberate Acts

any deliberate, reckless or intentional act or omission that **You** or any person entitled to indemnity or operating under **Your** control, knew or ought reasonably to have known, would give rise to **Bodily Injury, Property Damage, Damage to Property Insured** or **Denial of Access** or other offence or liability covered under this **Policy**.

This Exclusion shall not apply to exclude the specific cover granted under the Section 2 (Employers' Liability).

5 Dishonesty

from any fraudulent act or dishonest act.

This Exclusion shall not apply to exclude the specific cover granted under the Section 2 (Employers' Liability) and caused by any **Perils Insured 2** (Theft).

6 Insured v Insured

any **Claim** by any **Insured** against any other person or entity who is also an **Insured** under this **Policy**.

7 Intellectual Property Rights

from any passing off, or infringement of, patent copyright trademark or any other intellectual property.

This Exclusion shall not apply to exclude the specific cover granted under Section 2 (Employers' Liability)

8 Microbial Matter

any fungi or bacterial matter which reproduces through the release of spores or the splitting of cells, including but not limited to, mould, mildew and viruses, whether or not such matter is living.

9 Nuclear, War and Sonic Bangs

any loss, **Damage** or legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any **Nuclear Installation, Nuclear Reactor** or other explosive nuclear assembly or nuclear component thereof
- c) any weapon or device employing atomic nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes
- e) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
- f) This Exclusion shall not apply to exclude the specific cover granted under Section 2 (Employers' Liability).

10 Pollution

from any **Pollution**, including any cost or expense arising out of or in any way related to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralising **Pollution**.

This Exclusion shall not apply to exclude the specific Extension providing cover for **Pollution or Contamination** under Section 3 (Property Owners' Liability)

11 Professional Advice

from professional advice given by **You** for a fee or in circumstances where a fee would normally be charged.

This Exclusion shall not apply to exclude the specific cover granted under Section 2 (Employers' Liability)

12 Terrorism

from any **Act of Terrorism**, including any action taken in controlling, preventing, suppressing or in any way relating to any **Act of Terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This Exclusion shall not apply to exclude the specific cover granted under the 'Terrorism Buy Back Cover' applicable to Section 1 (Property Damage) and Special Provision 1 applicable to Section 2 (Employers' Liability) Section 3 (Property Owners' Liability) of this **Policy**.

Section 1: Property Damage

The General Exclusions and General Conditions and the terms and conditions set out in this Section all apply to this Section of the **Policy**. The **Schedule** will confirm if this Section forms part of the **Policy** and will provide details of which covers under this Section are included.

Basis of Cover

In the event of the **Damage to Property Insured** caused by **Perils Insured** during the **Period of Insurance** We will pay to **You** the value of the **Property Insured** at the time of its **Damage** or the amount of the **Damage** or at **Our** option reinstate or replace such **Property Insured** or any part of it.

Limits

Our liability under this Section 1 (Property Damage) will not exceed:

- a) in the whole the **Total Sum Insured** or in respect of any item in respect of each separate **Premises** its **Sum Insured** or any other **Limit of Liability**;
- b) the **Sum Insured** or limit remaining after deduction for any other **Damage** occurring during the same **Period of Insurance** unless **We** have agreed to reinstate any such **Sum Insured** or limit.

We shall not indemnify **You** for the Excess specified in the **Schedule**.

The following **Perils Insured** are only applicable to Sections 1 (Property Damage) if indicated as applicable in the 'Cover basis' of the Schedule.

The Perils Insured

Cover available under Sections 1 (Property Damage) is limited to loss or **Damage** caused by:

1 Fire

- a) Fire but excluding **loss or, Damage** arising from:
 - i) explosion resulting from fire
 - ii) earthquake or subterranean fire.
- b) Lightning
- c) Explosion
 - i) of boilers
 - ii) of gas
used for domestic purposes only.
 - iii) of any other boilers or economisers on the **Premises**.

2 Explosion

Explosion.

3 Aircraft

Aircraft or other aerial devices or articles dropped therefrom.

4 Earthquake

Earthquake.

5 Subterranean Fire

Subterranean fire.

6 Riot

Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation excluding loss or **Damage** arising from:

- a) arising from confiscation, requisition or destruction by order of the government or any public authority
- b) arising from cessation of work.
- c) when the **Premises** are **Unoccupied**.

7 Riot and Malicious Persons

Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons excluding loss or **Damage** arising from:

- a) confiscation, requisition or destruction by order of the government or any public authority;
- b) cessation of work, or
- c) fire or explosion directly caused by malicious persons not acting on behalf of or in connection with any political organisation,
- d) theft or attempted theft; or
- e) when the **Premises** are **Unoccupied**.

8 Theft

Theft or attempted theft or robbery or attempted robbery committed by any third party not authorised by the **Insured** on the **Premises** resulting in:

- a) **Damage** to the **Buildings** falling to be borne by **You**
- b) **Damage** to glass which:
 - i) is accompanied by and directly forms part of other **Damage** to which this **Perils Insured** applies

- ii) is accepted by a police authority as prima facie evidence of attempted theft within the meaning of this **Perils Insured**,

but only if and so far as the glass is not more specifically insured.

but excluding any loss or **Damage** arising from:

- a) contributed to or caused by any person lawfully on the **Premises**;
- b) when the **Premises** are **Unoccupied**.

9 Storm and Falling Trees

- a) Storm excluding loss or **Damage** arising from
 - i) the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam;
 - ii) inundation from the sea;

whether resulting from storm or otherwise.
- b) a change in the water table level
- c) frost, subsidence, ground heave or landslip
- d) in respect of movable property in the open, fences and gates except where **Damage** is caused by falling trees
- e) when the **Premises** are **Unoccupied**.

10 Flood

Waves, tide or tidal water, rapid accumulation of surface waters, or the rising of lakes, reservoirs, rivers, streams or other bodies of water (other than tidal waves or tsunamis resulting from earthquake or earthquake shock), including subsequent damage resulting from fire, explosion or sprinkler leakage but excluding any loss or **Damage** arising from:

- a) attributable solely to change in the water table level
- b) frost, subsidence, ground heave or landslip
- c) in respect of movable property in the open, fences and gates.
- d) when the **Premises** are **Unoccupied**.

11 Escape of Water or Fuel Oil

Escape of water or fuel oil from any tank apparatus or pipe but excluding any loss or **Damage** arising from:

- a) water discharged or leaking from any automatic sprinkler installation
- b) when the **Premises** are **Unoccupied**.

12 Impact (Third Party Only)

Impact by any mechanically propelled vehicle or by goods falling therefrom or animal not belonging to or under the control of the **Insured** or any occupier of the **Premises** or their respective employees while in the course of their employment but excluding any loss or **Damage** arising from **Property** in transit.

13 Impact

Impact by any mechanically propelled vehicle or by goods falling therefrom or animal but excluding any loss, **Damage** or **Consequential Loss** arising from:

- a) property in transit
- b) mechanically propelled vehicles or animals belonging to or under the control of the **Insured** or any occupier of the **Premises** or their respective employees while in the course of their employment.

14 Sprinkler Leakage

Accidental escape of water from any automatic sprinkler installation in the **Premises** excluding any **Damage** or loss arising from explosion, earthquake, subterranean fire or heat caused by fire.

- a) explosion, earthquake, subterranean fire or heat caused by fire; or
- b) freezing whilst the **Premises** are **Unoccupied**.

15 Subsidence

Subsidence or ground heave of any part of the site on which the property stands or landslip excluding any loss or **Damage** arising from:

- a) land, walls, gates, fences, yards, car parks, roads, bridges, pavements, walkways, forecourts and similar surfaces all constructed of solid materials insured hereby unless also affecting a **Building**;
- b) land, walls, gates, fences, yards, car parks, roads, bridges, pavements, walkways, forecourts and similar surfaces all constructed of solid materials insured hereby unless a building at the same **Premises** used by the **Insured** for the purpose of the **Business** is also **Damaged** thereby;
- c) outbuildings or garages to **Residential Buildings** unless the main **Building** is also **Damaged** thereby;
- d) the normal settlement or bedding down of new structures;
- e) the settlement or movement of made-up ground;
- f) coastal or river erosion;
- g) defective design or workmanship or the use of defective materials;

- h) destruction or damage which originated prior to the inception of this cover;
- i) demolition, construction, structural alteration or repair of any property; and
- j) groundworks or excavation at the same **Premises**.

16 Accidental All Other Damage (applicable if shown as 'Operative' in the Schedule)

All other accidental **Damage** excluding any loss or **Damage** arising from:

- a) inherent vice, latent defect, gradual deterioration, wear and tear, its own faulty or defective design or materials;
- b) faulty or defective workmanship, operational error or omission on the part of **You** or any of **Your Employees**;
- c) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin, insects or domestic pets;
- d) change in temperature, colour, texture or finish;
- e) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;
- f) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates;
- g) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services except where such act is solely for the purpose of safeguarding human life.
- h) acts of fraud or dishonesty but this will not exclude any loss or **Damage** covered by this **Policy**;
- i) disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
- j) **Damage** to a **Building** or structure caused by its own collapse or cracking;
- k) any
 - i) **Perils Insured** 1 to 11 and 13 to 16;
 - ii) causes expressly excluded under **Perils Insured** 1 to 11 and 13 to 16, whether insured or not.

Standard Extensions and Clauses Applicable to Section 1 (Property Damage)

The following Extensions and Clauses apply to cover available under Section 1 (Property Damage).

Unless stated on the **Schedule**, cover under any Extension or clause under this Section forms part of and erodes the **Limit of Liability** or **Sum Insured** and where a **Sub-Limit** applies, it will form part of, and not be in addition to, the **Limit of Liability** or **Sum Insured**.

1 Alternative Accommodation and Loss of Rent

The Basis of Cover under Section 1 (Property Damage) is extended to cover for **Damage** caused by any **Perils Insured** occurring within the **Period of Insurance** resulting in the **Premises** being uninhabitable or includes for each dwelling either:

- a) the actual amount of the reduction in the **Rent Receivable** by **You** less any **Rent Reduction**;
- b) the reasonable additional cost of comparable accommodation incurred by the lessee or owner for any resident including pets which normally live in the **Building**;
- c) a cash allowance not exceeding 25% of the amount payable under b) above;

until the property is habitable or accessible.

Provided that **Our** total liability will not exceed 25% of the total **Buildings Sum Insured** shown on the **Schedule** any one **Occurrence** for any one **Period of Insurance**.

2 Archaeological Discoveries

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for reasonable costs necessarily incurred in consequence of **Damage to Property Insured** caused by a **Perils Insured** incurred during the **Period of Insurance** as a direct result of **You** complying with **Your** statutory obligations following the discovery of archaeological finds during site excavation.

Provided that:

- a) **Our** total liability will not exceed £25,000 any one **Occurrence** for any one **Period of Insurance**;
- b) **You** do not have any preexisting knowledge of the presence of archaeological remains prior to commencement of works.

3 Architects', Surveyors', Legal and Consulting Engineers' Fees

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for **Professional Fees** necessarily and reasonably incurred in the **Reinstatement of Property Insured** consequent upon its **Damage** caused by **Perils Insured** incurred during the **Period of Insurance**

Provided that the amount payable under this Extension will not exceed in total the **Sum Insured**.

4 Automatic Cover from Exchange

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for loss, destruction or **Damage** caused by **Perils Insured** during the **Period of Insurance** for any building **You** have contracted to purchase and the purchase of the building, at the time of its loss, destruction or **Damage**, has not been but is thereafter completed the location of such building will be deemed to be a **Premises** under Sections 1 (Property Damage) until completion but only in circumstances where either:

- a) **Your** interest in any such building is not covered by any other insurance; and
- b) **Your** interest is covered by any other insurance but only to the extent that any other insurance on such building is more restrictive in cover or limits and where **We** will be liable for any difference between any other insurance and this **Policy**.

Provided that:

- i) **Our** total liability at any one **Building** will not exceed £500,000 for any one **Period of Insurance**; and
- ii) **You** undertake to give particulars of such extension of cover as soon as reasonably practicable and to effect specific insurance thereon retrospective to the date of the commencement of the **Our** liability.

5 Buildings Awaiting Demolition

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for **Damage** for **Buildings** which are:

- a) scheduled for demolition;
- b) **Unoccupied** and in such a poor state of repair as to render the premises economically unviable to put back into use but cover will be restricted to loss or **Damage** arising from the **Perils Insured** 1 (Fire), 3 (Explosion) and 4 (Aircraft) only and will be restricted to the costs and expenses necessarily incurred with the consent of **Us** in removing debris of the portion or portions of the premises following their **Damage**.

Provided that **We** will:

- i) not pay for any costs or expenses:
- ii) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site; and
- iii) arising from **Pollution or Contamination** of property not insured by this **Policy**.

We will only be liable for such costs and expenses in excess of those which would have been payable had the **Damage** not occurred.

6 Clearing of Drains

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the reasonable costs and expenses necessarily incurred in clearing, cleaning and repairing drains, gutters, sewers and the like at the **Premises** and in the immediate vicinity for which **You** are responsible in consequence of **Damage** to the **Premises** caused by **Perils Insured** occurring during the Period of Insurance.

Provided that **Our** total liability will not exceed £5,000 any one **Occurrence** or in all for any one **Period of Insurance**.

7 Contracting Purchaser's Interest

If at the time of **Damage** to the **Building** caused by **Perils Insured** occurring during the **Period of Insurance** **You** have contracted to sell **Your** interest in any **Building** and the purchase has not been but is thereafter completed, the purchaser on completion of the purchase if and so far as the property is not otherwise insured against such **Damage** by them or on their behalf will be entitled to benefit under this Section without prejudice to the rights and liabilities of **You** or **Us** until completion

8 European Union, United Kingdom and Public Authorities including Undamaged Property

The cover under the Basis of Cover is extended to indemnify **You** for **Damage** to **Your Buildings** caused by a **Perils Insured** for any additional cost of **Reinstatement** to comply with:

- a. European Union legislation;
- b. building or other regulations under or framed in pursuance of any Act of Parliament or bye-law of any public authority (hereinafter referred to as 'the Stipulations') in respect of:
 - i) **Damage**;
 - ii) undamaged portions thereof;
 - iii) any water supply equipment at the **Premises** supplying the sprinkler installation in undamaged portions of the **Premises**;

but excluding:

- a) the cost incurred in complying with in respect of **Damage** occurring prior to the inception of this Supplementary Condition;
- b) **Damage** not insured by this **Policy**;
 - i) under which notice has been served upon the **Insured** prior to the happening of the **Damage**;
 - ii) for which there is an existing requirement which has to be implemented within a given period;
 - iii) in respect of **Property** entirely undamaged by any cover hereby insured against;

- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with this Supplementary Condition.

Conditions applicable to European Union, United Kingdom and Public Authorities including Undamaged Property

Provided that

- A) The work of **Reinstatement** must be commenced and carried out without unreasonable delay and in any case must be commenced within twelve (12) months after the **Damage** or within such further time as **We** may allow during the said twelve (12) months and may be carried out upon another site if the Stipulations so necessitate subject to **Our** liability under this Supplementary Condition not being thereby increased.
- B) The total amount recoverable under any item of this **Policy** in respect of this Supplementary Condition will not exceed:
 - a) in respect of the **Damaged** property its sum insured;
 - b) in respect of undamaged portions of property other than foundations twenty per cent (20%) of the total amount for which **We** would have been liable had the **Property Insured** at the **Premises** where the **Damage** has occurred been wholly destroyed.
- C) The total amount recoverable under any item of this **Policy** will not exceed its **Sum Insured**.

9 Emergency Services

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** the reasonable costs and expenses incurred by **You** following **Damage** at the **Premises** during the **Period of Insurance** resulting from the actions of the emergency services including deliberate acts where such deliberate acts are for the purpose of safeguarding human life or minimising **Damage** as insured.

Provided that **Our** total liability will not exceed £25,000 any one **Occurrence** for any one **Period of Insurance**.

10 Fly Tipping (only applies if shown on the Schedule)

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the reasonable costs necessarily incurred in clearing and removing any property in consequence of its being illegally deposited in, on or around the **Premises** during the **Period of Insurance**.

Provided that:

- a) the Excess of £500 will apply in respect of each and every loss

- b) **Our** total liability will not exceed £25,000 any one **Occurrence** for any one **Period of Insurance**.

11 Illegal Cultivation of Drugs (CONDITION PRECEDENT)

The Basis of Cover under Section 1 (Property Damage) is extended to cover for **Damage** to the **Property Insured** occurring during the **Period of Insurance** resulting from the illegal cultivation of drugs at the **Premises** by a tenant, lessee or licensee of **Yours** it is a **Condition Precedent** to **Our** liability to make payment under this **Policy** that **You** have:

- a) carried out comprehensive internal and external surveys of the **Premises** at least every three (3) months prior to the **Damage** and maintained a written log of such Inspections;
- b) prior to the letting the **Premises**, **You** have obtained satisfactory written vetting references for the tenant;
- c) recorded written details of the tenant’s bank account details and verified same by collecting at least one payment via such means;
- d) prior to the letting the **Premises**, **You** have obtained credit references for the tenant showing a satisfactory score from a licenced Credit Referencing Agency.

Provided that **Our** total liability will not exceed £10,000 any one **Occurrence** and in total for any one **Period of Insurance**.

12 Index Linking

Where indicated in the **Schedule** the **Sum Insured** will be adjusted during the **Period of Insurance** in accordance with fluctuations in suitable indices of cost.

In the event of loss the **Sum Insured** will continue to be adjusted in accordance with fluctuations in the indices during the period necessary for completion of **Reinstatement** provided that **Reinstatement** is carried out without unreasonable delay.

The premium will remain unchanged during the **Period of Insurance** but at each renewal the premium will be calculated on the revised **Sum Insured**.

13 Japanese Knotweed (only applies if shown on the Schedule)

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the reasonable costs and expenses incurred with **Our** prior consent of eradicating the presence of Japanese Knotweed (*Fallopia Japonica*) or other hybrids of knotweed, listed under Schedule 9 of The Wildlife and Countryside Act 1981 or any subsequent amending legislation ('Japanese Knotweed') and to safely dispose of the waste in accordance with the provisions under the Environmental Protection Act 1990 (Duty of Care) Regulations 1991 or any subsequent amending legislation that is discovered at the **Premises** occurring during the **Period of Insurance**.

Provided that

- a) **We** will not pay for **Damage** to the **Premises**.
- b) **Our** total liability will not exceed £10,000 any one **Occurrence** or in all for any one **Period of Insurance**.

14 Landlord's Gardening Equipment

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for **Your** gardening equipment owned by **You** and used in connection with the **Business** and is **Damaged** by **Perils Insured** during the **Period of Insurance** whilst stored in any locked outbuilding located at the **Premises**.

Provided that:

- a) **Our** total liability will not exceed £10,000 any one **Occurrence** for any one **Period of Insurance**;
- b) any **Damage** caused by theft follows forcible and or violent entry to or exit from the **Premises**.

15 Landscaped Gardens

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** the reasonable costs and expenses incurred with **Our** prior consent in making good destruction of or **Damage** to landscaped gardens or grounds at the **Premises** caused by **Perils Insured** during the **Period of Insurance**,

but excluding:

- a) the cost of movement of soil other than as necessary for surface preparation;
- b) the failure of trees, shrubs or turf to become established following replanting; and
- c) the failure of seeds to germinate.

Our total liability will not exceed £5,000 any one **Occurrence** for any one **Period of Insurance**.

16 Malicious Damage by Tenant(s) (only applies if shown as 'Operative' on the Schedule)

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** where the **Building** is let to **Your** tenant(s), **We** will pay **You** for **Damage** caused by malicious acts or vandalism by the tenant to **Property Insured** occurring at the **Premises** during the **Period of Insurance**

Provided that:

- a) **You** or **Your** appointed representative carried out internal and external inspections of the **Building** at least once every 6 (six) months and **You** maintain a log of those inspections which **You** retain for at least 24 (twenty four) months;
- b) **You** or **Your** appointed representative obtain and record a written formal identification of any

prospective tenant;

- c) **You** or **Your** appointed representative obtain and retain a written employers reference for any working tenant;
- d) **You** or **Your** appointed representative obtain and record details of **Your** tenants bank account and verify those details by receiving at least one payment from that bank account;
- e) **You** or **Your** appointed representative do not accept more than two (2) months advanced cash payments of rent;

Provided that **Our** total liability will not exceed £5,000 any one **Occurrence** for any one **Period of Insurance**.

17 Metered Utilities

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the reasonable costs for which **You** are responsible in respect of loss of metered water, gas, oil or electricity supplies resulting in consequence of **Damage to Property Insured** caused by **Perils Insured** as insured provided always that the amount payable in respect of any one **Premises** during the **Period of Insurance** is limited to such excess charges demanded by the supply authority.

Provided that **Our** total liability will not exceed £25,000 any one **Occurrence** for any one **Period of Insurance**.

18 Reinstatement to Match (only applies if shown in the Schedule)

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the cost of replacement or modification of undamaged parts of the **Buildings** that form part of a suite, common design or function where the **Damage** to the **Premises** occurs during the **Period of Insurance** and is restricted to a clearly identifiable area or to a specific part.

Provided that

- a) **Our** total liability will not exceed £50,000 any one **Occurrence** for any one **Period of Insurance**;
- b) the amount that would have been payable had the suite, common design or function been wholly destroyed whichever is the lesser.

19 Removal of Debris

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** reasonable costs and expenses necessarily incurred with **Our** prior written consent for any loss or **Damage** covered under Section 1 (Property Damage) occurring during the **Period of Insurance** for:

- a) removing debris including costs of removal of debris relating to a tenant's contents provided such costs are not recoverable from another source
- b) dismantling and/or demolishing and/or shoring or propping up

- c) boarding up of windows and doors
- d) weatherproofing of the portion or portions of the **Property Insured** by the said items destroyed or damaged by any **Perils Insured**.

Provided that

- i) **We** will not indemnify for removal of debris except from the site of such property destroyed or damaged and from the surface of the area immediately adjacent to the **Premises**
- ii) **We** will not indemnify for **Damage** not sustained at the **Premises** during the **Period of the Insurance**; and
- iii) **Our** total liability under this Extension for any item shall not exceed its sum insured for any one **Occurrence** for any one **Period of Insurance**.

20 Removal of Nests (only applies if shown on the Schedule)

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the cost of removing wasps or bees' nests and vermin from **Residential Buildings** occurring during the **Period of Insurance**.

Provided that:

- a) **Our** total liability will not exceed £2,500 any one **Occurrence** for any one **Period of Insurance**; and
- b) will not be liable for the cost of removing nests or infestations already in the **Buildings** before the inception of this **Policy**.

21 Replacement of Keys and Resetting of Digital Locks

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the reasonable costs and expenses necessarily incurred by **You** during the **Period of Insurance** for the replacement of locks or resetting of digital locks following the loss of keys to the **Premises** by **You** or **Your** authorised representative.

Provided that **Our** total liability will not exceed £2,500 any one **Occurrence** for any one **Period of Insurance**.

22 Services

The Basis of Cover under Section 1 (Property Damage) is extended to cover the **Damage to Property Insured** caused by **Perils Insured** which shall be extended to include cover for telephone gas water and electric instruments meters pipes ducts cables and the like and the accessories thereof including similar property in adjoining yards or roadways or underground pertaining to the **Buildings** for which **You** are legally responsible.

23 Trace and Access (applicable for Covers 11 Escape of Water or Fuel Oil and 12 Sprinkler Leakage)

In the event of **Damage** at the **Premises** occurring during the **Period of Insurance** resulting from **Perils Insured** 11 (Escape of Water or Fuel Oil) or **Perils Insured** 14 (Sprinkler Leakage), **We** will pay **You** reasonable costs and expenses necessarily incurred in:

- a) locating the source of such **Damage**; and
- b) the subsequent making good any **Damage** caused as a consequence thereof.

Provided that **Our** total liability will not exceed £25,000 any one **Occurrence** for any one **Period of Insurance**.

24 Tree Felling or Lopping

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the reasonable costs and expenses necessarily incurred during the **Period of Insurance** in felling, lopping and removing trees at the **Premises** caused by **Perils Insured** for which **You** are legally responsible and which are an immediate threat to the safety of life or **Property**.

Provided **We** will not be liable:

- a) for legal or local authority costs involved in removing trees
- b) for costs incurred solely to comply with a Preservation Order; or
- c) for the costs incurred in respect of routine maintenance.

Provided that **Our** total liability will not exceed £5,000 any one **Occurrence** or in all for any one **Period of Insurance**.

25 Unauthorised use of Electricity, Gas, Oil, Water or Telecommunications

The Basis of Cover under Section 1 (Property Damage) is extended to cover **You** for the cost of metered electricity, gas, oil, water or telecommunications for which **You** are legally responsible arising from its unauthorised use by persons taking possession, keeping possession or occupying the **Premises** occurring the **Period of Insurance** without **Your** authority provided always that all practicable steps are taken to terminate such unauthorised use as soon as it is discovered.

Provided that **Our** total liability will not exceed £25,000 any one **Occurrence** for any one **Period of Insurance**.

26 Unauthorised Occupation of the Premises

The Basis of Cover under Section 1 (Property Damage) **Buildings** is extended to cover **You** for **Damage** caused by **Perils Insured** occurring at the **Premises** during the **Period of Insurance** where the **Premises** are not being legally occupied by a tenant,

Provided that:

- i) This Extension does not apply to **Peril Insured 16** (Accidental All other Accidental Damage); and
- ii) **Our** total liability will not exceed £25,000 any one **Occurrence** or in all for any one **Period of Insurance**.

27 Workmen

The Basis of Cover under Sections 1 (Property Damage) is extended to cover **You** for **Damage to Buildings** caused by workmen working on site at the **Buildings** during the **Period of Insurance** for the purposes of effecting any repairs, minor additions and alterations or decorations without prejudice to this insurance.

Basis of Settlement Clauses

The following Conditions change the Basis of Cover either as an Extension or as a Condition and are applicable only if indicated in the **Schedule** to be 'operative'.

Reinstatement Basis of Settlement

Subject to the following Conditions the basis upon which the amount payable in respect of **Buildings**, and **Contents** is to be calculated will be **Reinstatement**.

Provided that

- 1) **Our** liability for the repair or restoration of **Damaged Property Insured** in part only will not exceed the amount which would have been payable had such property been wholly destroyed; and
- 2) No payment beyond the amount which would have been payable in the absence of this Supplementary Condition will be made:
 - a) unless **Reinstatement** commences and proceeds without unreasonable delay
 - b) until the cost of **Reinstatement** has actually been incurred
 - c) if the **Property Insured** at the time of **Damage** is insured by any other insurance effected by or on behalf of **You** which is not upon the same basis of **Reinstatement**.
- 3) All the terms and conditions of this **Policy** will apply:
 - a) in respect of any claim payable under the provisions of this Supplementary Condition except in so far as they are varied hereby
 - b) where claims are payable as if this Supplementary Condition had not been incorporated.
- 4) If at the time of Reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered exceeds the **Sum Insured** of the individual property insured at the commencement of any **Damage Our** liability will not exceed that proportion of the amount of the **Damage** which the said **Sum Insured** bears to the sum representing the total cost of reinstating the whole of such individual property at that time.

This Condition 4) will not however apply provided that the **Insured** has carried out valuations utilising qualified RICS (Royal Institution of Chartered Surveyors) members at intervals of not more than three (3) years and:

- a) where necessary increased the **Sum Insured** to at least the amount stated in the valuation; and
- b) made appropriate allowance in the **Sum Insured** for inflationary increase in the period between valuations

Condition 4) b) is not applicable to **Buildings** if indexed linked

Day One Reinstatement Basis of Settlement – Buildings

In the event of **Damage to Property Insured** caused by **Perils Insured**, the amount **We** will pay **You** will be calculated, in correspondence to the Declared Value, will be on **Reinstatement** basis,

Provided that

- i) the premium has been calculated accordingly to the Declared Value of each of the said items;
- ii) at the inception of each **Period of Insurance You** will notify **Us** of the Declared Value of the **Property Insured** by each of the said items. In the absence of such declaration the last amount declared by **You** will be taken as the Declared Value for the ensuing **Period of Insurance**.
- iii) If at the time of **Damage** the Declared Value in respect of each separate **Property Insured** is less than the cost of **Reinstatement** (including due allowance for the costs described in paragraph 1 above to the extent the insurance by the item provides cover for such costs) at the inception of the **Period of Insurance** then **Our** liability for the **Damage** will not exceed that proportion which the Declared Value bears to such cost of **Reinstatement**.

This Condition iii) will not however apply provided that **You** have carried out regular valuations utilising qualified RICS (Royal Institution of Chartered Surveyors) members at intervals of not more than three (3) years and:

- a) where necessary increased the Declared Value to at least the amount stated in the valuation; and
- b) made appropriate allowance in Declared Value for inflationary increases in the period between valuations.
- iv) **Our** liability for the **Reinstatement** of the damage to the **Property Insured** in part only will not exceed the amount which would have been payable had such property been wholly destroyed.
- v) No payment beyond the amount which would have been payable in the absence of this Supplementary Condition will be made:
 - a) unless **Reinstatement** commences and proceeds without unreasonable delay;

- b) until the cost of **Reinstatement** has actually been incurred
 - c) if the **Property Insured** at the time of its loss, destruction or **Damage** is insured by any other insurance effected by or on behalf of **You** which is not upon the same basis of **Reinstatement**.
- 8. mobile phone masts or **Damage** caused by mobile phone masts erected on the **Premises**;
 - 9. any particular piece of electrical apparatus or fitting which has caused a fire due to self ignition, over running, excessive pressure, short circuiting, self heating or leakage of electricity;

For the purpose of this Supplementary Condition 'Declared Value' means **Your** assessment of the cost of **Reinstatement** of the **Property Insured** at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the item provides due allowance for:

- a) the additional cost of **Reinstatement** to comply with European Union, United Kingdom and public authority requirements;
- b) reasonable professional fees; and
- c) debris removal costs.

Conditions Applicable to Section 1 Property Damage

Survey (CONDITION PRECEDENT)

It is a **Condition Precedent** to **Our** liability under this **Policy** that **You** shall comply with any risk improvements required by **Us** following a survey within the timescales specified by **Us**.

We retain the right to cancel, suspend or alter the terms of the insurance provided by this **Policy** should the survey show the risk or any part thereof to be unacceptable to **Us** requiring improvement or not as represented by **You** to **Us**.

Exclusions Applicable to Section 1 (Property Damage)

We shall have no liability under Section 1 (Property Damage) to make any payment arising out of:

1. vehicles licensed for road use (including accessories) caravans, trailers, railway locomotives, rolling stock watercraft, aircraft, or aerospace device;
2. property or structures in course of construction or erection and materials or supplies in connection with all such property or structures in course of construction or erection;
3. land, piers, jetties, bridges, culverts or excavations except as covered under **Property Insured**;
4. livestock growing crops or trees;
5. any loss or **Damage** to **Your** paintings, prints and works of art with a value in excess of £5,000 any one item;
6. jewellery, precious stones, precious metals, bullion or furs;
7. loss of any kind or description except as provided for under Section 1 (Property Damage) clause Alternative Accommodation and Loss of Rent;

- 10. any loss, **Damage** or liability occurring before cover commences;
- 11. any **Damage** to **Property Insured** if the **Premises** are occupied by **You**;
- 12. any loss, **Damage** or liability arising from wear and tear or **Damage** that happens gradually over time;
- 13. any loss or **Damage** or liability arising from defective design, defective materials or faulty workmanship, or failure to follow manufacturers' instructions;
- 14. any reduction in market value of the **Property Insured** following repair or replacement paid under this **Policy**;
- 15. the cost of replacing any undamaged parts of the **Buildings** which form part of a pair, set, suite or part of a common design function;
- 16. any property of **Your** tenants or their visitors;
- 17. any documents, deeds, debit cards, credit cards or **Money**;
- 18. any **Property Insured** which is insured under any other insurance policy;
- 19. any **Damage** to **Contents** a) Common Parts resulting from **Peril Insured** 16 (Accidental All other Damage).

Terrorism Buy Back Cover applicable to Sections 1 (Property Damage)

The Section Terrorism Buy Back Cover shall apply to:

- 1) Section 1 (Property Damage)

For the purpose of interpreting this Section the following definition shall apply only to this Section (Terrorism Buy Back Cover)

Act of Terrorism

A act or 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.

Computer System

A computer or other equipment or component or system or item which processes, stores, transmits or receives Data.

Data

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

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **Computer Systems**.

Denial of Service Attack includes but are not limited to the generation of excess traffic into the network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **Computer Systems**.

Hacking

Unauthorised access to any Computer System whether the property of the **Insured** or not.

Phishing

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

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor Computer Systems, Data or operations, whether involving self-replication or not.

Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

The Cover

In consideration of the payment of the Terrorism Premium and its Insurance Premium Tax in respect of the **Period of Insurance**:

A. in the event that:

- a) Her Majesty's Government or Her Majesty's Treasury or any successor relevant authority issue a certificate certifying an event or occurrence to have been an **Act of Terrorism**
- b) Her Majesty's Government or Her Majesty's Treasury or any successor relevant authority refuse to issue a certificate certifying an event or occurrence to have been an **Act of Terrorism** and that refusal is reversed by the decision of a validly constituted tribunal

We will by this Terrorism Buy Back Cover provide cover for:

- i) in respect of Sections 1 (Property Damage) **Damage**;

Provided always that:

- 1) such **Damage** occurs in England, including the Channel Tunnel up to the frontier with the Republic of France as set out in the Treaty of Canterbury 1986, Wales or Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987
- 2) in any action, suit or other proceedings where **We** allege that any **Damage** is not covered by this Terrorism Buy Back Cover the burden of proving that such **Damage** is covered will fall upon **You**
- 3) the insurance effected by this Terrorism Buy Back Cover excludes any losses whatsoever:
 - a) occasioned by Riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
 - b) directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:
 - i) **Damage** to or the destruction of any **Computer System**; or
 - ii) any alteration, modification, distortion, erasure or corruption of **Data**

in each case whether the property of the **Insured** or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism, Hacking, Phishing or Denial of Service Attack.

Proviso to exclusion 3) a) b)

save that **Covered Loss** otherwise falling within this exclusion 3) a) b) will not be treated as excluded by exclusion 3) a) b) solely to the extent that such **Covered Loss**:

- i) results directly (or, solely as regards ii) 2) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any **Computer System**; and
- ii) comprises:
 - 1) the cost of reinstatement, replacement or repair in respect of **Damage** to or destruction of **Property Insured**; or
 - 2) the amount of business interruption loss suffered directly by the **Insured** by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either **Damage** to or destruction of **Property Insured** or as a direct result of denial, prevention or hindrance of access to or use of the **Property Insured** by reason of an **Act of Terrorism** causing **Damage** to other Property within one (1) mile of the **Property Insured** to which access is affected; or
 - 3) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of **Damage** to or destruction of Property and any additional costs or charges reasonably and necessarily paid by **You** to avoid or diminish such loss

and

- iii) is not proximately caused by an **Act of Terrorism**

in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

- iv) for the purposes of this Proviso
 - 1) The meaning of 'Property' shall exclude:
 - a) any money (including **Money**), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or nonnegotiable instruments, financial securities or any other financial instrument of any sort whatever; and
 - b) any **Data**.
 - 2) 'Covered Loss' means all losses arising as a result of **Damage** to or the destruction of **Property Insured**, the proximate cause of which is an **Act of Terrorism**.
- v) Notwithstanding the exclusion of **Data** from **Property**, to the extent that **Damage** to or destruction of **Property** within the meaning of sub-paragraph ii) above indirectly results from any alteration, modification, distortion, erasure or corruption of **Data**, because the occurrence of one or more of the matters referred to in sub-paragraph i) above results directly or indirectly from any alteration, modification, distortion erasure or corruption of **Data**, that shall not prevent cost or business interruption loss directly resulting from **Damage** to or destruction of such **Property** and otherwise falling within subparagraphs i) and ii) 1) or 2) nor any loss, cost or charges otherwise falling within sub-paragraphs i) and ii) 3) above from being recoverable under this Terrorism Buy Back Cover.

In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **Data** be recoverable under this Terrorism Buy Back Cover

- a) any type of property which has been specifically excluded in the **Policy**
- b) any **Nuclear Installation** or **Nuclear Reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **Nuclear Installation** or **Nuclear Reactor**.

- 4) save for the exclusions listed in 3) above no other exclusions in this **Policy** will apply to the insurance effected by part A. of this Terrorism Buy Back Cover. All the other terms, definitions and conditions of this **Policy** including but not limited to any **Excess** or deductible to be borne by **You** will apply to the insurance effected by part

A. of this Terrorism Buy Back Cover except for:

- a) any Long Term Undertaking applying to this **Policy**
 - b) any terms in this **Policy** which provide for adjustments of premium based upon declarations on expiry or during the **Period of Insurance**
 - c) any extension of the meaning of the term '**Premises**' in this **Policy** to include locations outside England and Wales and Scotland.
- B. In the event that Her Majesty's Government or Her Majesty's Treasury or any successor relevant authority refuse to issue a certificate certifying an event or occurrence happening in the territories described in paragraph A. proviso 1) above to have been an **Act of Terrorism** and such refusal is upheld by the decision of a validly constituted tribunal this Terrorism Buy Back Cover will delete any Terrorism Exclusion in the **Policy** in respect of such event or occurrence.
- C. This Terrorism Buy Back Cover will delete any Terrorism Exclusion in this **Policy** in respect of any event or occurrence happening in the Isle of Man or Channel Islands but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987, the Territorial Sea Act 1987 (Isle of Man) Order 1991, the Territorial Sea Act 1987 (Jersey) Order 1997 and Territorial Sea Act 1987 (Jersey) (Amendment) Order 2002. Provided always that in respect of B. and C. above all other terms, definitions, exclusions, provisions and conditions of the **Policy** will apply.

Section 2: Employers' Liability

The General Exclusions and Conditions and the terms and conditions set out in this Section all apply to this Section of the **Policy**. The **Schedule** will confirm if this Section forms part of the **Policy** and will provide details of which covers under this section are included.

Employers' Liability Cover

Basis of Cover

We will indemnify **You** for all sums which **You** become legally liable to pay as **Compensation** and **Costs and Expenses** in respect of any **Personal Injury** sustained by any **Employee** occurring during any **Period of Insurance** within the **Territorial Limits** in connection with the **Business**.

Limit of Liability

Unless otherwise stated in the **Schedule**:

- a) **Our** maximum liability to **You** to indemnify under the Employers' Liability section for all **Compensation** in respect of one **Occurrence** in any one **Period of Insurance** will not exceed the **Limit of Liability**.
- b) the indemnity for **Costs and Expenses** shall be payable in addition to, and will not erode, any applicable **Limit of Liability** or **Sub-Limit**, provided that where a payment exceeding the **Limit of Liability** or **Sub-Limit**, has been made to dispose of a **Claim**, **Our** liability for **Costs and Expenses** shall be limited to such proportion of the said **Costs and Expenses** as the **Limit of Liability** or **Sub-Limit**, bears to the total amount paid to dispose of the claim.
- c) Where **We** agree to indemnify more than one party then nothing in this Section will increase the liability of **Us** to pay any amount in respect of one claim or series of claims in excess of the amount stated as the **Limit of Liability**.

Extensions Applicable to Section 2 (Employers' Liability)

The Basis of Cover under Section 2 (Employers' Liability) extends cover to **You** for the following Extensions.

Provided that these Extensions will not apply to any liability which is covered by any other policy.

1. Corporate Manslaughter

This Basis of Cover under Section 2 (Employers' Liability) is extended to indemnify **You** in respect of reasonable legal costs and expenses incurred with **Our** prior written consent in connection with the defence of any criminal proceedings, including any appeal against conviction arising from any such proceedings brought in respect of a charge or investigation connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands committed or alleged to have

been committed during the **Period of Insurance** and which relates to any event arising in the course of the **Business** involving **Personal Injury** which is or may be the subject of indemnity under this Section:

- a) **Our** liability under this Extension will not exceed £5,000,000 in any one **Period of Insurance**. This limit will form part of and not be in addition to the **Limit of Liability** stated in the **Schedule**;
- b) this Extension will only apply to proceedings brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
- c) **We** must consent in writing to the appointment of any solicitor or counsel who are to act for and on behalf of **You**;
- d) **You** will give to **Us** immediate notice of any summons or other process served upon **You** which may give rise to proceedings under this Extension;
- d) any appeal must be agreed by **Us** and any such appeal's prospects of success must achieve greater than 50%;
- e) **We** will be under no liability:
 - i) where **You** have committed any deliberate or intentional criminal act giving rise to a corporate manslaughter or corporate homicide charge
 - ii) in respect of fines or penalties of any kind
 - iii) in respect of the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any regulations made thereunder
 - iv) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this Extension indemnity would have been provided by such other source or insurance
- f) where **We** have already indemnified **You** in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of or investigation connected with corporate manslaughter or corporate homicide under another clause applicable to this Section of the **Policy** the amount paid under that clause will be taken into account in arriving at **Our** liability payable under this Extension.

2. Court Attendance Costs

In the event of any of the under-mentioned persons attending court as a witness at **Our** request in

connection with a claim in respect of which **You** are entitled to indemnity under this Section **We** will provide compensation to **You**.

The maximum **We** will pay for:

- a) any director or partner of the **Insured** is £500 per day;
- b) any **Employee** is £250 per day.

3. Health and Safety at Work etc. Act 1974

This Basis of Cover under Section 2 (Employers' Liability) is extended to indemnify **You** or any director of **Yours** or **Employee** in respect of reasonable and necessarily incurred legal fees or expenses including the costs of appeal against conviction reasonably incurred by the solicitor or firm of solicitors engaged with **Our** consent to act for or on behalf of **You** or any director of **Yours** or **Employee** in their defence against criminal charges brought under:

- a) Sections 36 or 37 of the Health and Safety at Work Act etc. 1974 in respect of an offence as defined in Section 33 of the said Act; and
- b) Article 34 of the Health and Safety at Work (Northern Ireland) Order 1978 in respect of an offence as defined in Article 31 of the said Order

committed or alleged to have been committed during the **Period of Insurance** and which relates to any event arising in the course of the **Business** involving **Personal Injury** which is or may be the subject of indemnity under this Section including costs of prosecution awarded against any director of **Yours** or **Employee** or **You** arising from such proceedings.

Provided that:

- a) this Extension will apply only to proceedings brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- b) **We** will be under no liability:
 - i) where **You** or any director of **Yours** or **Employee** is insured by any other policy;
 - ii) where the criminal charge is in respect of any deliberate or intentional criminal act by **You** or any director of **Yours** or **Employee**;
 - iii) in respect of legal fees and expenses which **You** or any director of **Yours** or **Employee** may be ordered to pay by a court of criminal jurisdiction in respect of the deliberate or intentional criminal act or omission of the director of **Yours** or **Employee**;
 - iv) in respect of fines or penalties of any kind; and
 - v) in respect of any proceedings not related to the health, safety or welfare of an **Employee**

- c) **You** or any director of **Yours** or **Employee** will give to **Us** immediate notice of any summons or other process served upon **You** or any director of **Yours** or **Employee** and of any event that may give rise to proceedings against **You** or any director of **Yours** or **Employee**.

4. Indemnity to Directors and Employees

This Basis of Cover under Section 2 (Employers' Liability) is extended to indemnify **You** for your legal liability to pay **Compensation and Costs and Expenses** for **Personal Injury** in connection with any **Claim** made against any director of **Yours** or **Employee** in respect of **Claims** made against such director or **Employee** in connection with the **Business** during the **Period of Insurance** and within the **Territorial Limits**.

Where specifically requested to do so by **You We** will indemnify any director of **Yours** or **Employee** in respect of **Claims** made against such director or **Employee** subject to the terms and limitations of the Section.

5. Indemnity to First Aid and Medical Teams

This Basis of Cover under Section 2 (Employers' Liability) is extended to indemnify **You** for **Your** legal liability to pay **Compensation and Costs and Expenses** for **Personal Injury** for or **Your** director or **Employee** while acting as a member of **Your** first aid or medical arrangements but excluding medical practitioners in respect of liability to any other **Employee** resulting from treatment given in connection with the **Business** during the **Period of Insurance** and within the **Territorial Limits**.

6. Indemnity to Principal

This Basis of Cover under Section 2 (Employers' Liability) is extended to indemnify **You** for your legal liability to pay **Compensation and Costs and Expenses** for **Personal Injury** to an **Employee** in connection with the **Business** during the **Period of Insurance** and within the **Territorial Limits** in connection with **You** for any claim brought or made against any public or local authority or other principal.

7. Injury to Partner or Proprietor

In respect of **Personal Injury** to any partner or proprietor named in the **Schedule** as **You, We** extend cover under Section 2 (Employers' Liability) to such person who fall within the definition of **Employee**.

Provided that:

- a) the **Personal Injury** arises out of and in the course of the **Business**;
- b) the **Personal Injury** is caused by another partner or **Employee** working for **You** in connection with the **Business**;
- c) the partner or the proprietor has a valid right of action against the party responsible for such **Personal Injury**.

8. Solicitors' Fees

We will also pay reasonable and necessary solicitors' fees incurred with **Our** prior written consent for:

- a) representation at any coroner's inquest or fatal injury inquiry in respect of any death; and
- b) defending in any court of summary jurisdiction any proceedings in respect of any act or omission causing or relating to any event.

in respect of any **Claim** accepted by **Us** as covered under this Section 2 (Employers' Liability).

9. Unsatisfied Court Judgments

The Basis of Cover under Section 2 (Employers' Liability) is extended to indemnify **You** for your legal liability to pay **Compensation** pursuant to a default court judgment being obtained against **You** in respect of **Personal Injury** to an **Employee** arising out of and in their course of employment by **You** occurring during any **Period of Insurance** in connection with the **Business** and within the **Territorial Limits**, and such court judgement remains unsatisfied in whole or in part six (6) months after the date of the court judgment

Provided that:

- a) the court judgment is issued by a court situated within the **Territorial Limits**; and
- b) there is no appeal outstanding;
- c) if any payment is made under the terms of this Extension the **Employee** or the personal representatives of the **Employee** will assign the judgment to **Us**; and

Provided that **We** will not pay more than the **Limit of Liability** stated in the **Schedule**.

Exclusions Applicable to Section 2 (Employers' Liability)

Our indemnity granted under Section 2 (Employers' Liability) will not make payment arising from or out of:

1 Motor

Any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other Compulsory Road Traffic Legislation.

2 Work Offshore

Any claim for damages for **Bodily Injury** or disease caused during any **Period of Insurance** and sustained by any **Employee**:

- a) on any offshore installation or support or accommodation vessel for any offshore installation;

- b) in transit to, from or between any offshore installation support or accommodation vessel for any offshore installation.

Special Provision Applicable to Section 2 (Employers' Liability)

1 Terrorism

The insurance available under the Basis of Cover for Employers' Liability Cover is extended to **Your** legal liability to pay **Compensation** and **Cost and Expenses** for **Personal Injury** sustained by any **Employee** in connection with the **Business** occurring during the **Period of Insurance** and within the **Territorial Limits** directly arising from **Terrorism**

Provided that **Our** maximum liability will not exceed £5,000,000 in the aggregate for any one **Period of Insurance**.

For the purposes of this clause 'Terrorism' means the use or threat of which is made for the purpose of advancing a political, religious or ideological cause and to influence any government de jure or de facto or to intimidate the public or a section of the public involving:

- a) violence against one or more persons;
- b) **Property Damage**;
- c) endangerment of a person's life other than that of the person committing the act; or
- d) a risk to health and safety of the public or a section of the public.

Conditions Applicable to Section 2 (Employers' Liability)

1. Compulsory Insurance

You must repay to **Us** any amounts which **We** are required by compulsory insurance legislation to pay out under this **Policy** to the extent that **We** would not otherwise have been liable to make such payments on account of a breach of any of the terms or conditions of this **Policy**.

2 Certificate of Employers' Liability Insurance

If this **Policy** or this Section is cancelled, then any Certificate of Employers' Liability insurance issued by **Us** is deemed to be cancelled at the same time.

Section 3: Property Owners Liability

The General Terms and Conditions and the terms and conditions set out in this Section all apply to this Section of the **Policy**. The **Schedule** will confirm if this Section forms part of the Policy and will provide details of which covers under this Section are included.

Basis of Cover

We will indemnify **You** for all sums which **You** become legally liable to pay **Compensation** and **Costs and Expenses** in respect of;

- a) **Personal Injury** to any person other than an **Employee** where such **Personal Injury** arises out of and in the course of the employment;
- b) **Property Damage**;
- c) **Denial of Access**; and
- d) accidental loss of or **Property Damage** arising from **Products**

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

Limit of Liability

Unless otherwise stated in the **Schedule**:

- a) **Our maximum** liability to **You** to indemnify under the Basis of Cover for all **Compensation** in respect of one **Occurrence** in any one **Period of Insurance** will not exceed the **Limit of Liability**.
- b) the indemnity for **Costs and Expenses** shall be payable in addition to, and will not erode, any applicable **Limit of Liability** or **Sub-Limit**, provided that where a payment exceeding the **Limit of Liability** or **Sub-Limit**, has been made to dispose of a claim, **Our** liability for **Costs and Expenses** shall be limited to such proportion of the said **Costs and Expenses** as the **Limit of Liability** or **Sub-Limit**, bears to the total amount paid to dispose of the **Claim**.

Extensions Applicable to Section 4 (Property Owners Liability)

The insurance under Section 3 (Property Owners Liability) includes cover for the following Extensions.

Unless stated on the **Schedule**, cover under any Extension under this Section forms part of and erodes the **Limit of Liability** and where a **Sub-Limit** applies, it will form part of, and not be in addition to the **Limit of Liability**.

Asbestos Limit

Notwithstanding Exclusion 2(Asbestos) under Section 3 (Property Owners') the cover under this Section extends to **Your** liability in respect of:

- a) exposure to; and

- b) inhalation of

Asbestos including any products containing **Asbestos**. **Our** liability under this clause for all **Compensation** including **Costs and Expenses** payable in respect of all **Claims** occurring during any one **Period of Insurance** is limited to £1,000,000.

It is a condition precedent to **Our** liability under this Clause that:

- a) **You** have complied with **Your** legal obligations to manage **Asbestos**; and
- b) upon discovery of **Asbestos** that requires under the Control of **Asbestos** at Work Regulations 2012 to be dealt with by a licensed **Asbestos** removal contractor all work immediately stops and an HSE licensed **Asbestos** removal contractor is employed as soon as is reasonably practicable:
 - i) to make safe the area in which the discovery is made
 - ii) who has Employers' and Public Liability Insurance in respect of their liability at law to pay **Compensation** with **Limits of Liability** no less than the limits given under this **Policy** as stated in the **Schedule** and which do not exclude the work to be carried out.

Cross Liabilities

Where this **Policy** is issued in the joint names of more than one party it will indemnify each party in the same manner as if a separate policy had been issued to each of them.

Data Protection Act

The Basis of Cover under Section 3 (Property Owners' Liability) is extended to indemnify **You** for **Your** legal liability to pay all **Compensation** and **Costs and Expenses** for **Personal Injury** arising from proceedings brought against **You** under:

- a) Sections 168 and 169 of the Data Protection Act 2018
- b) Article 82 of Regulation (EU) 2016/679 (General Data Protection Regulation).

Provided that:

- i) **We** shall not be liable under this Extension for:
 - 1) fines, penalties, liquidated, punitive or exemplary damages;
 - 2) the costs of notifying any person regarding loss of personal data;
 - 3) the cost of replacing, reinstating, rectifying or erasing any personal data;
 - 4) any deliberate or intentional criminal act or omission giving rise to any claim under this

Extension committed by **You**, in connection with the **Business** occurring during the **Period of Insurance** and within the **Territorial Limits**.

- ii) **The** total liability of **Us** under this Extension to pay **Compensation** will not exceed the **Limit of Liability** for all claims in any one **Period of Insurance**.

Defective Premises Act 1972

The Basis of Cover under Section 3 (Property Owners' Liability) is extended to indemnify **You** for **Your** legal liability to pay **Compensation** and **Costs and Expenses** for **Personal Injury, Property Damage** or **Denial of Access** caused by the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises which have been disposed of by **You** in connection with the **Business** occurring during the **Period of Insurance** and within the **Territorial Limits**.

Provided **We** will not be liable under this Extension:

- a) for the cost of remedying any defect or alleged defect in the said premises; and
- b) in respect of liability more specifically insured under any other insurance.

Pollution or Contamination

The Basis of Cover under Section 3 is extended to cover **You** for **Your** legal liability to pay **Compensation** and **Costs and Expenses** for **Personal Injury** or **Property Damage** arising from **Pollution or Contamination** in connection with the **Business** occurring within the **Territorial Limits** and during the **Period of Insurance**.

Provided that **We** will not indemnify:

- a) for loss which was not a direct result of a sudden and identifiable event occurring during the **Period of Insurance**;
- b) for loss caused as a direct result of **You** failing to take precaution to prevent such **Pollution or Contamination** during the **Period of Insurance**;
- c) For loss arising from or as a consequence of any discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like if before the current **Period of Insurance** **You** became aware of circumstances which have or may give rise to such **Pollution or Contamination**;
- d) loss caused in breach of **Your** statutory obligations in respect of the maintenance and cleaning of such equipment; or
- e) the total liability of **Us** under this Extension to pay **Compensation** will not exceed the **Limit of Liability** in any one **Period of Insurance**.

Tenants' Liability Extension

With **Our** prior written consent the indemnity under this Basis of Cover under Section 3 (Property Owners' Liability) shall be extended to indemnify **You** for legal liability to

pay **Compensation** to **Your** tenants in respect of **Property Damage** to furnished accommodation let by **You** in respect of the liability of the tenant as occupier of such accommodation subject to there being no more specific policy in force regardless of whether indemnity is provided under such policy.

We will not pay more than the **Limit of Liability** stated in the **Schedule**.

Conditions Applicable to Section 3 (Property Owners Liability)

If stated the following conditions apply to this Section in addition to the General Conditions and Claims Conditions.

Exclusions Applicable to Section 3 (Property Owners Liability)

Our indemnity granted under Section 3 (Property Owners Liability) will not make payment arising from or out of:

1 Aircraft Products

liability arising from any **Products** which at the time of the contract of sale or supply are knowingly sold or supplied for use in craft designed to travel through air or space.

2 Asbestos

any liability, loss, cost or expense directly or indirectly caused by, contributed to by or arising out of any asbestos, asbestos fibres or any derivatives of asbestos including any product containing asbestos, asbestos fibres or derivatives.

3 Custody or Control

liability arising from any **Products** in the custody or control of the **Insured**.

4 Defective Work

loss of or **Property Damage** to that part of any property upon which **You** or any servant or agent of **You** is or has been working where the loss or **Property Damage** is the direct result of such work.

5 Exports to the USA or Canada

liability arising from any **Products** which at the time of the contract of sale or supply are knowingly exported to the United States of America or Canada.

6 Foreign Operations

any associated or subsidiary company of the **Insured** or branch office or representative of the **Insured** with power of attorney domiciled elsewhere than in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

7 Motor

liability arising from the ownership or possession or use by or on behalf of **You** of any mechanically propelled vehicle or mobile plant.

- a) which is licensed for road use;
- b) for which compulsory motor insurance or security is required; or
- c) which is more specifically insured.

8 Products

liability arising from **Products** after they have ceased to be in the custody or control of **You** other than food or beverages for consumption on **Your Premises** or at any other premises where **You** carry on the **Business**.

9 Property Owned or Held in Trust

loss of or **Damage** to **Property** belonging to **You** or held in trust by or borrowed, rented, leased or hired for the use by **You**.

10 Replacing, Repairing or Guaranteeing Products

replacing, reinstating, rectifying, repairing, recalling or guaranteeing the performance of any **Products**.

11 Vessels and Craft

liability arising from the ownership or possession or use by or on behalf of **You** of craft designed to travel through air or space, hovercraft or watercraft other than barges, motor launches and non-powered craft used on inland waterways.

Special Provisions Applicable to Section 3 (Property Owners Liability)

1 Terrorism

The insurance available under the Basis of Cover for Section 3 (Property Owners' Liability) is extended to **Your** legal liability to pay **Compensation** and **Cost and Expenses** for **Personal Injury** and **Property Damage** in connection with the **Business** during the **Period of Insurance** and within the **Territorial Limits** directly arising from **Terrorism**

Provided that **Our** maximum liability will not exceed £5,000,000 in the aggregate for any one **Period of Insurance**.

For the purposes of this clause 'Terrorism' means

the use or threat of which is made for the purpose of advancing a political, religious or ideological cause and to influence any government de jure or de facto or to intimidate the public or a section of the public involving:

- a) violence against one or more persons;
- b) **Property Damage**;
- c) endangerment of a person's life other than that of the person committing the act; or
- d) a risk to health and safety of the public or a section of the public.

Section 4: Residential Landlords Legal Expenses

Legal Helpline

You can use the helpline service to discuss any legal problem occurring within the United Kingdom, the Channel Islands and the Isle of Man, and arising during the **Period of Insurance**.

Specialist lawyers are at hand to help **You**. If **You** need a lawyer to act for **You** and **Your** problem is covered under this insurance, the advice line will ask **You** to complete a claim form. If **Your** problem is not covered under this insurance, the advice line may be able to offer **You** assistance under a private funding arrangement.

Simply telephone **0344 770 1044** and quote "**Pen Underwriting Landlord's Legal Expenses**".

Telephone calls may be recorded and/or monitored for both **Your** and **Our** protection.

Policy Wording

Terms Of Cover

This insurance is managed and provided by Arc Legal Assistance Limited. The insurance elements of this section are underwritten by the **Insurer**, on whose behalf **We** act.

If a claim is accepted under this insurance, **We** will appoint **Our** panel solicitors, or their agents, to handle **Your** case. **You** are not covered for any other legal representatives' fees unless court proceedings are issued or a conflict of interest arises. Where it is necessary to start court proceedings or a conflict of interest arises and **You** want to use a legal representative of **Your** own choice, **Advisers' Costs** payable by **Us** are limited to no more than (a) **Our Standard Advisers' Costs**; or (b) the amount recoverable under the Civil Procedure Fixed Recoverable Costs regime, whichever is the lower amount.

Claims must be reported to **Us** within 180 days of the **Insured Event** other than in relation to sections of cover Tenant Eviction and Mediation or Rent Protection, where claims must be submitted within 45 days of the **Insured Event**. Notification will only be deemed to have been made upon receipt by **Us** of a fully completed claim form accompanied with all requested supporting documentation. Failure to notify the claim within this time will invalidate the insurance.

The insurance covers **Advisers' Costs**, less any **Excess** up to the **Maximum Amount Payable** where:-

- a) The **Insured Event** happens during the **Period of Insurance** and within the **Territorial Limits**

and

- b) The **Legal Action** takes place within the **Territorial Limits**.

This insurance does not provide cover where something **You** do, or fail to do, negatively impacts **Your** position or the position of the **Insurer** in connection with the **Legal Action**.

Important Conditions

If **Your** claim is covered under a section of this policy and no exclusions apply then it is vital that **You** comply with the conditions of this policy in order for **Your** claim to proceed. The conditions that apply to this section are given in the 'Conditions' section below and should be read carefully. Some of the main conditions that apply to this insurance are:

1. Prospects of Success

There must be a 51% or higher chance of winning the **Legal Action** and achieving a positive outcome. A positive outcome includes, for example, recovering the amount of money at stake, enforcing a judgment or achieving an outcome which is in **Your** best interests. **Our** claim assessors will examine the facts of your case to assess your chances of winning. If they conclude **Your** chances of winning are less than 51%, **We** won't be able to support your claim.

2. Proportional Costs

An estimate of the **Advisers' Costs** will be provided with the assessment of **Your** claim and must be carried out by the Adviser. If the estimate is more than the amount in dispute, then **We** might decline or discontinue support for **Your** claim.

3. Giving the Insurer all the important information

If **You** are a private individual the following applies to **You**:

When the **Insurer** accepts **Your** application for this insurance, it relies on the information **You** give. **You** must take reasonable care to give full answers to the questions asked when **You** take out, or make changes to, **Your** policy. If the information **You** give is not full or is untrue **Your** cover may be affected and the **Insurer** might

- might cancel **Your** policy and refuse to pay any claim or
- not pay the full amount of the claim.

We will write to **You** if the **Insurer**:

- is going to cancel **Your** policy; or
- needs to change the terms of **Your** policy; or
- needs **You** to pay more for **Your** insurance.

If **You** realise that information **You** have given is incomplete or untrue, **You** must inform **Us**.

If **You** are part of a partnership, a sole trader, a limited company or other legal entity the following applies to **You**:

Your Duty of Disclosure

Under the Insurance Act 2015 **You** have a duty to make fair presentation of the risk to the **Insurer** before this policy starts, each time it renews and when **You** make any changes to the cover.

This means **You** must:

- (a) tell **Us** about all the 'material facts' that **You** know about (or ought to know about).
- (b) tell **Us** in a reasonably clear and accessible way.
- (c) make sure that everything **You** state as fact is mainly correct and made in good faith.

What is a Material Fact?

A material fact is information that will influence the **Insurers'** decision whether or not to insure **You** and, if it does, the terms that will apply.

For the purposes of the duty of fair presentation, **You** are expected to know the following;

- (a) If **You** are an individual (such as a sole trader or individual partner):
 - what is known to **You** and anybody who is responsible for arranging this insurance, or
- (b) if **You** are not an individual (such as a limited company or partnership):
 - what is known to anybody who is part of **Your** organisation's senior management (this means those people who play significant roles in the making of decisions about how **Your** activities are to be managed or organised or anybody who is responsible for arranging this insurance).
 - what should reasonably be revealed by a reasonable search of the information available to **You**. The information may be held within **Your** organisation (for example by, subsidiaries, affiliates, the broker or any other person who will be covered under this insurance).
 - if the insurance is intended to insure subsidiaries, affiliates, or other parties, **You** are expected to have included them in **Your** enquiries and inform **Us** if **You** have not done so. The reasonable search may be conducted by making enquiries or by any other means.
- (c) Whether **You** are an individual or not,
 - what should reasonably be revealed by a reasonable search of the information available to **You**.

Breach of duty

If **You** breach **Your** duty to make fair presentation of the risk to the **Insurer**, then:

- where the breach was deliberate or reckless, the **Insurer** may avoid this policy, refuse all claims and keep all premiums paid.
- where the breach was neither deliberate nor reckless and, but for the breach, the **Insurer** would not have agreed to provide cover under the policy on any terms, it might avoid this policy and refuse all claims, but it will return any premiums paid.
- where the breach was neither deliberate nor reckless and, but for the breach, it would have agreed to provide cover under this policy but on different terms (other than premium terms), it might require that this policy includes such different terms with effect from its commencement, and/or
- where the breach was neither deliberate nor reckless and, but for the breach, the **Insurer** would have agreed to provide cover under this policy but would have charged higher premiums, the **Insurer's** liability for any loss amount payable shall be limited to the proportion that the premium charged bears to the higher premium that would have been charged.

For example: if, due to a breach of fair presentation, **You** were charged a premium of £x but should have been charged £y, then for any claim submitted and agreed at a settlement value of £z, **You** will only be paid £a.

Definitions

Where the following words appear in bold within this insurance they have these special meanings.

Adviser

Our panel solicitor, their agents, or other appropriately qualified person, firm or company appointed by **Us** to act for **You**.

Advisers' Costs

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

Data Protection Legislation

The relevant **Data Protection Legislation** in force within the **Territorial Limits** where this cover applies at the time of the **Insured Event**

Deposit

The sum of money collected from the **Tenant** in accordance with Section 213 of the Housing Act 2004 (and any amending legislation) in respect of a **Tenancy Agreement** to which it applies and held by **You** or **Your** agent as an indemnity for losses incurred by **You** arising from the **Tenant** failing to perform his obligations set out in the **Tenancy Agreement**. A minimum amount equal to one month's **Rent** must be retained as the **Deposit**.

Deposit replacement insurance may be purchased in lieu of a **Deposit**, however this must meet or exceed the minimum sum above.

Dilapidations Inventory

A full and detailed inventory of **Your** contents and their condition within the **Insured Property** which has been signed by the **Tenant**.

Excess

The amount that **You** are required to pay towards any claim.

Tenant Eviction: £1,000

Rent Protection: An amount equal to one months' **Rent**

All other sections: Nil

Guarantor

The individual or organisation assigned to the **Tenancy Agreement** that has received a **Tenant Reference** and provided a financial guarantee of the **Tenant's** performance of his obligations under the **Tenancy Agreement**.

Insured Event

The incident or the start of a transaction or series of incidents which may lead to a claim or claims being made under the terms of this insurance.

Insured Property

The **Insured Property** shown in the Insurance schedule and declared to **Insurers**.

Insurer

The Insurer as identified in the 'Identity of Insurers' Endorsement on the Schedule.

Legal Action

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

Maximum Amount Payable

The maximum payable in respect of an **Insured Event** is stated below:

Rent Protection

(cover only applicable to residential tenancies):

£2,500 per month up to a maximum of £5,000, or 6 months, whichever is the lesser.

All other sections of cover:

£50,000

For the purposes of the **Maximum Amount Payable**, only one **Insured Event** will be regarded as having arisen from all causes or by actions, incidents or events which are related by cause or time.

Period of Insurance

This insurance provides cover for the same period covered by the insurance product or benefit to which it attaches. For the avoidance of doubt, if the underlying insurance policy is cancelled, suspended or withdrawn, this legal expenses insurance will also be cancelled, suspended or withdrawn

Rent

The monthly amount payable by the **Tenant** to **You** as set out in the **Tenancy Agreement**.

Standard Advisers' Costs

The level of **Advisers' Costs** that would normally be incurred in using a specialist panel solicitor or their agents

Tenancy Agreement/Occupation Contract

A **Tenancy Agreement** between **You** and the **Tenant** in relation to the **Insured Property** which is:-

- (a) an Assured Shorthold **Tenancy Agreement** as defined within the Housing Act 1988 (as amended) or the Renting Homes (Wales) Act 2016 (as amended) or its equivalent outside of England and Wales but within the **Territorial Limits**, or
- (b) a Company Residential Tenancy (Company Let) created after 28th February 1997 where the **Tenant** is a public limited company (plc) or limited company (Ltd) or its equivalent outside of England and Wales but within the **Territorial Limits** and the **Insured Property** is let purely for residential purposes of the **Tenant's** employees and their family, or
- (c) a written common law residential **Tenancy Agreement** created after 28th February 1997 between individuals where the **Rent** is in excess of £100,000 per annum or its equivalent outside of England and Wales but within the **Territorial Limits**, and which is:-
 - i) Appropriate for the tenancy; and
 - ii) Where relevant, signed and independently witnessed by **You**, the **Tenant(s)** and if required as a condition of the **Tenant Reference**, the **Guarantor**; and
 - iii) Free from any unreasonably restrictive covenants

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

The **Tenancy Agreement** must be for a fixed term of no more than 12 months

In Wales, a break clause is only possible if it is inserted into a fixed term **Occupation Contract** of at least two years, and **You** are not able to enforce this break clause within the first 18 months of an **Occupation Contract**.

Tenancy Period

The period of the tenancy unless notice to terminate the tenancy was issued by the landlord or **Tenant** prior to any

breach of the terms of the **Tenancy Agreement** by the **Tenant**, in which case the **Tenancy Period** will end at expiry of such notice.

Tenant

The occupier of the **Insured Property** named in the **Tenancy Agreement** as the **Tenant** and who has received a **Tenant Reference** confirming that he/she can, solely or jointly with another **Tenant** or other **Tenants**, afford to cover the cost of the **Rent** in full.

Tenant Reference

For residential Tenants:

A credit check against the **Tenant** and any **Guarantor** obtained from a licensed credit referencing company showing no County Court

Judgments in the past three years and no outstanding County Court Judgments, together with copies of two forms of identification, one of which must contain a photograph, and a written employers' reference on company letter headed paper confirming their permanent and current employment and that their gross monthly salary is at least a multiple of 2.5 of the **Tenant's Rent**. If all of the above are not available or in the case of student **Tenants** or **Tenants** receiving any income or housing related government benefit, a full **Tenant Reference** showing a Pass on the **Tenant** and **Guarantor** must be obtained from **Our** approved **Tenant** Referencing Company. Details of these companies are available by referring to the Arc Legal website; <http://www.arclegal.co.uk/informationcentre/approved-referencing-list.php>.

For commercial Tenants:

A full comprehensive referencing check showing a pass on the **Tenant** and **Guarantor** must be obtained from one of **Our** approved tenant referencing companies.

Details of **Our** approved tenant referencing companies are available online at <http://www.arclegal.co.uk/informationcentre/index.php>

Territorial Limits

The United Kingdom.

We/Us/Our

Arc Legal Assistance Limited who administer claims under this insurance on behalf of the **Insurers**.

You / Your

The individual or organisation shown in the insurance schedule as the policyholder and defined in the **Tenancy Agreement** as the 'Landlord' who has paid the premium and been declared to **Insurers**. If **You** die **Your** personal representatives will be covered to pursue cases covered by this insurance on behalf of **You** that arose prior to **Your** death.

Cover

Tenant Eviction and Mediation

What is covered:

- a) (for residential tenancies only): mediation with the **Tenant** to resolve breaches in the **Tenancy Agreement** relating to the rightful occupation of the **Insured Property**
- b) (for commercial and residential tenancies): **You** are covered for **Advisers' Costs** to pursue a **Legal Action** against a **Tenant** or **Guarantor** to recover possession of the **Insured Property** where the **Tenant** fails to perform their obligations set out in the **Tenancy Agreement** relating to the rightful occupation of the **Insured Property**

What is not covered: Claims

- a) where **You** fail to provide evidence that **You** successfully completed a **Tenant Reference** on the **Tenant** (and **Guarantor** if required) prior to the start of the **Tenancy Agreement** or where the **Tenancy Agreement** started more than 31 days after the **Tenant Reference**
- b) arising from or connected to **Your** performance of **Your** obligations under the **Tenancy Agreement**
- c) arising from dilapidations unless the missing or damaged items were contained within a **Dilapidations Inventory**
- d) falling within the jurisdiction of the Rent Assessment Committee, the Lands Tribunal or the Leasehold Valuation Tribunal or their equivalent outside of England and Wales but within the **Territorial Limits**
- e) relating to the payment or non payment of service charges as defined within the Landlord and Tenant Act 1985 (as amended) or any equivalent Act outside of England and Wales but within the **Territorial Limits**
- f) where the eviction of the **Tenant** is dealt with by a notice issued by the Home Office
- g) where the **Insured Property** is not solely residential
- h) where the **Tenant** is not aged 18 years or over
- i) where **You** have allowed the **Tenant** into possession of the **Insured Property** before the **Tenancy Agreement** has been signed by all parties, a **Tenant Reference** has been obtained, the first month's **Rent** and the **Deposit** have been received in cash or cleared funds and the **Dilapidations Inventory** has been signed by the **Tenant**
- j) where **You** have failed to keep full and up to date rental records or have allowed the **Tenancy Agreement** to be transferred to any other individual or organisation unless all other terms of the insurance have been complied with
- k) if **You** or **Your** agent gave any false or misleading information when **You** applied for the **Tenant Reference**

- l) where the **Tenant** received a **Tenant Reference** subject to a **Guarantor** and the **Guarantor** was not correctly assigned to the **Tenancy Agreement**
- m) where **You** are in breach of any rules, regulations or Acts of parliament relating to the **Deposit**
- n) in relation to dilapidations by the **Tenant** to the **Insured Property** or its contents where **You** have a policy of insurance that covers the dilapidations
- o) relating to any occupant of the **Insured Property** over the age of 18, other than the **Tenant**
- p) where **Advisers' Costs** have been incurred as a result of **Your** failure to follow the advice of the **Adviser** or arising from **Your** failure to take any action recommended by **Us** or the **Adviser** to recover possession of the **Insured Property** as promptly as possible
- q) in connection with **Occupation Contracts** in Wales where **You** are not registered with 'Rent Smart Wales' or **You** do not hold a relevant licence to rent the **Insured Property**.

Property Infringement

What is covered:

Legal Action for nuisance or trespass against the person or organisation infringing

Your legal rights in relation to the **Insured Property**.

The nuisance or trespass must have commenced at least 180 days after **You** first purchased this insurance.

What is not covered:

Claims arising from a dispute relating to a **Tenancy Agreement** or any other lease or licence to occupy property or land

Legal Defence

What is covered:

You are covered for **Advisers' Costs** to defend a **Legal Action** as a result of a prosecution against **You** in a court of criminal jurisdiction where **You** are charged for committing a criminal offence directly and solely arising from **Your** ownership of the **Insured Property**.

What is not covered:

Claims arising from something **You** have done, knowing it to be wrongful or ignoring that possibility

Rent Protection

(please note that this cover is only applicable to residential tenancies)

What is covered:

You are covered for **Rent** owed by a **Tenant** or a **Guarantor** under a **Tenancy Agreement** in relation to the **Insured Property** up to the **Maximum Amount Payable**, where the **Insured Event** occurs during the **Period of Insurance** and **You**, where appropriate, are pursuing a claim against the **Tenant** to evict them from the **Insured Property**.

What is not covered:

Claims where any of the relevant terms and conditions have not been met by **You** and/or **You** do not have a valid claim under the Tenant Mediation and Eviction cover under this policy.

Rent is only payable:-

- a) during the **Period of Insurance** and
- b) for up to 6 months and
- c) for the dates shown as the term in the **Tenancy Agreement**, (if the tenancy has been allowed to roll onto a monthly periodic term, up to expiry of any notice to bring the monthly periodic tenancy to an end) whichever is the lesser and
- d) for **Rent** arrears occurring during the **Tenancy Period**, and
- e) whilst the **Tenant** (including any unauthorised occupant) remains in occupation of the **Insured Property** and
- f) up to the **Maximum Amount Payable**

Rent Claims Payments:

- a) **Rent** will be paid monthly in arrears at a rate of 1/30th for each continuous day that it is in arrears.
- b) If the **Tenant** is applying for Housing Benefit and has provided their housing benefit application reference number, **Rent** will not be paid until the outcome of the Housing Benefit claim is known. If the **Tenant's** Housing Benefit claim is rejected, **Rent** will be paid under the Insurance backdated to the date that **You** could first claim. There is no cover under the insurance for any shortfall between the amount paid to the **Tenant** as Housing Benefit and the **Rent**. **You** or **Your** managing agent must notify the Benefits Office of their interest.
- c) If the **Deposit** is more than the **Excess**, the cover under the insurance will pay **Rent** arrears after deduction of the balance of the **Deposit**. If the balance of the **Deposit** is subsequently required to meet the cost of dilapidations, this will be paid to **You**.
- d) **Rent** must be over 30 days in arrears before any claim payments are made.
- e) **You** agree to transfer **Your** legal rights to the **Insurers** to subrogate any claim to pursue a recovery action for **Rent** and **Advisers' Costs**

General Exclusions

1. There is no cover:-

- a) Where the **Insured Event** occurs within the first 90 days of the **Period of Insurance** where the **Tenancy Agreement** commenced before the **Period of Insurance** unless **You** had continuous previous insurance
- b) Where **Your** act, omission or delay negatively impacts **Your** or the **Insurers** position in

connection with the **Legal Action** or prolongs the length of the claim

- c) Arising from a dispute between **You** and **Your** agent or mortgage lender
- d) Where the **Insured Event** began to occur or had occurred before **You** purchased this insurance
- e) Where **You** should have realised when purchasing or renewing this insurance that a claim under this insurance might occur
- f) Where **You** have breached a condition of this insurance
- g) Where **Advisers' Costs** have not been agreed in advance or are above those for which **We** have given **Our** prior written approval
- h) For any claim which is not submitted to **Us** within 180 days of the **Insured Event** occurring other than in relation to sections of cover Tenant Eviction and Mediation and Rent Protection where claims must be submitted within 45 days of the **Insured Event**
- i) For **Advisers' Costs** incurred in avoidable correspondence or which are recoverable from a court, tribunal or other party
- j) For damages, interest, fines or costs awarded in criminal courts
- k) Where **You** have other legal expenses insurance cover
- l) For claims made by or against Pen Insurance Services, the **Insurers**, the **Adviser** or **Us**
- m) For appeals without the prior written consent of **Us**
- n) Prior to the issue of court proceedings or unless a conflict of interest arises, for the costs of any legal representative other than those of the **Adviser**
- o) Where an estimate of **Your Advisers' Costs** of acting for **You** is more than the amount in dispute
- p) Where **You** commit, or are alleged to have committed, a criminal offence, or **You** are liable to a civil penalty unless this policy expressly covers **You** in the event of such offence or penalty.

2. There is no cover for any claim arising from:-

- a) Works undertaken or to be undertaken by or under the order of any government or public or local authority
- b) Planning law
- c) The construction of or structural alteration to buildings
- d) Defamation or malicious falsehood

- e) Divorce, matrimonial matters or proceedings including ancillary relief, parental responsibility and contact, or affiliation
- f) Any venture for gain or business project of **Yours** other than in relation to **Your** activities as a Landlord
- g) A dispute between persons insured under this policy
- h) An application for Judicial Review
- i) A novel point of law

3. Sanction Limitation and Exclusion Clause

The **Insurer** shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit under this insurance if the provision of such cover, payment of such claim or provision of such benefit would expose it to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

4. Cyber Attack Exclusion

The **Insurer** will not pay for any loss, damage, liability or expense directly or indirectly caused by or contributed to, or arising from, the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, Computer Virus or process or any other electronic system. This exclusion applies unless cover for Costs is specifically allowed for in the Sections of Cover above.

5. Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this contract but this does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act.

Conditions

1. Claims

- a) **You** must report claims as soon as possible within 180 days of the **Insured Event** other than in relation to sections of cover Tenant Eviction and Mediation and Rent Protection, where claims must be submitted within 45 days of the **Insured Event**, by completing and submitting the claim form with all relevant information.
- b) If **Rent** is overdue the **Tenant** and any **Guarantor** must be contacted within seven days to establish the reason for the default. If the **Rent** is not paid within a further seven days the **Tenant** and any **Guarantor** must be contacted again. If the **Tenant/ Guarantor** cannot be contacted, and it is lawful to do so, **You** or **Your** agent must serve notice of a requirement to undertake an inspection in

- accordance with **Your** rights within the **Tenancy Agreement** and visit the **Insured Property**. **You** should seek legal advice if **You** are unsure that such an inspection is lawful.
- c) **You** and **Your** agent must act promptly to gain vacant possession of the **Insured Property** and recover **Rent** arrears.
 - d) In the event of a claim **You** or **Your** agent must prepare a detailed schedule of dilapidations as soon as reasonably possible after the **Tenant** has vacated the **Insured Property**.
 - e) **You** and/or **Your** agent must attend any court hearing in relation to an **Insured Event** if requested to do so by **Us** or the **Adviser**. Failure to attend will result in all cover under this insurance being withdrawn with immediate effect and no further claim payments being made.
 - f) **We** may investigate the claim and take over and conduct the **Legal Action** in **Your** name. Subject to **Your** consent which shall not be unreasonably withheld **We** may reach a settlement of the **Legal Action**.
 - g) **We**, on behalf of **Insurers** have the right under subrogation to pursue **Legal Action** against the **Tenant** or any **Guarantor** to recover **Rent** and **Advisers' Costs**.
 - h) **You** must supply at **Your** own expense all of the information which **We** reasonably require to decide whether a claim may be accepted. If court proceedings are required and **You** wish to nominate an alternative **Adviser** to act for **You**, **You** may do so. The **Adviser** must represent **You** in accordance with **Our** standard conditions of appointment available on request.
 - i) The **Adviser** will:-
 - i) provide a detailed view of **Your** prospects of success including the prospects of enforcing any judgment obtained.
 - ii) keep **Us** fully advised of all developments and provide such information as **We** may require.
 - iii) keep **Us** regularly advised of **Advisers' Costs** incurred.
 - iv) advise **Us** of any offers to settle and payments in to court. If contrary to **Our** advice such offers or payments are not accepted there shall be no further cover for **Advisers' Costs** unless **We** agree in **Our** absolute discretion to allow the case to proceed.
 - v) submit bills for assessment or certification by the appropriate body if requested by **Us**.
 - vi) attempt recovery of costs from third parties.
 - j) In the event of a dispute arising as to **Advisers' Costs**, **We** may require **You** to change **Adviser**.
 - k) **Insurers** shall only be liable for costs for work expressly authorised by **Us** in writing and undertaken while there are prospects of success.
 - l) **You** shall supply all information requested by the **Adviser** and **Us**.
 - m) **You** are liable for any **Advisers' Costs** if **You** withdraw from the **Legal Action** without **Our** prior consent. Any costs already paid by **Us** will be reimbursed by **You**.
 - n) Any monies recovered from the **Tenant** or **Guarantor** will be retained by **Us** to pay for any **Advisers' Costs** that has been paid by **Insurers** under this insurance.

2. Prospects of Success

At any time **We** may, but only when supported by independent legal advice, form the view that **You** do not have a 51% or higher chance of winning the case and achieving a positive outcome. If so, **We** may decline support or any further support. Examples of a positive outcome are:

- a) Being able to recover the amount of money at stake
- b) Being able to enforce a judgement
- c) Being able to achieve an outcome which best serves **Your** interests

3. Proportionality

We will only pay **Advisers' Costs** that are proportionate to the amount of damages that **You** are claiming in the **Legal Action**. **Advisers' Costs** in excess of the amount of damages that **You** are able to claim from **Your** opponent will not be covered.

4. Disputes

If a complaint cannot be dealt with by the Financial Ombudsman Service (see 'How to Make a Claim'), any dispute between **You** and **Us** may, where we both agree, be referred to an arbitrator who will be either a solicitor or a barrister. If the parties cannot agree on their choice of arbitrator the Law Society may be asked to make a nomination. The arbitration will be binding and carried out under the Arbitration Act. The costs of the arbitration will be at the discretion of the arbitrator.

5. Fraud

In the event of fraud, **We**:

- a) Will not be liable to pay the fraudulent claim
- b) May recover any sums paid to **You** in respect of the fraudulent claim
- c) May cancel this policy with effect from the fraudulent act and keep all premiums paid to **Us**
- d) Will no longer be liable to **You** in any regard after the fraudulent act.

6. Other Insurances

If any claim covered under this policy is also covered by another legal expenses policy, or would have been covered if this policy did not exist, **We** will only pay **Our** share of the claim even if the other insurer refuses the claim.

7. Cancellation

Your right to cancel:

You may cancel this insurance at any time by writing to **Your** insurance adviser providing 14 days written notice. If **You** exercise this right within 14 days of taking out this insurance, **You** will receive a refund of premium provided **You** have not already made a claim against the insurance. If **You** cancel at any time after the first 14 days, **You** will be entitled to a refund of premium proportionate to the unexpired term of this insurance provided that **You** have not made, and do not intend to make, a claim.

The **Insurer's** right to cancel

The **Insurer** may cancel the insurance by giving 14 days' notice in writing to **You** at the address shown on the schedule, or alternative address provided by **You**. **You** will be entitled to a refund of premium proportionate to the unexpired term of this insurance provided that **You** have not made, and do not intend to make, a claim

The **Insurer** will only invoke this right in exceptional circumstances as a result of **You** behaving inappropriately, for example:

- a) Where **We** have a reasonable suspicion of fraud
- b) **You** use threatening or abusive behaviour or language or intimidation or bullying of **Our** staff or suppliers
- c) Where it is found that **You**, deliberately or recklessly, disclosed false information or failed to disclose important information.

8. English Law and Language

This contract is governed by English Law and the language for contractual terms and communication will be English.

9. Change in Law

Cover under this policy is based on laws and regulations in force at the time that it was written. If **We** believe that any subsequent change in law or regulations results in the scope of cover being either restricted or broadened, **We** reserve the right to accept claims where the change restricts the cover under this policy and reject claims where the change provides a benefit which did not previously exist.

Customer Services Information

How To Make A Claim

Claims must be notified to the Claims Line within 180 days of the **Insured Event** other than in relation to sections of cover Tenant Eviction and Mediation and Rent Protection, where claims must be submitted within 45 days of the **Insured Event**.

Failure to notify the claim within this time will invalidate the insurance cover.

This insurance only covers legal fees incurred by **Our** panel solicitor or their agents appointed by **Us** until court proceedings are issued. If court proceedings are issued or a conflict of interest arises, **You** may nominate another solicitor to act for **You**.

You can use the helpline service to discuss any legal problem occurring within the United Kingdom, the Channel Islands and the Isle of Man, and arising during the period of this policy.

In general terms, **You** are required to immediately notify **Us** of any potential claim or circumstances which may give rise to a claim. If **You** are in doubt whether a matter constitutes a notifiable claim or circumstance, **You** should contact the legal advice line for assistance.

Claims Line

You should telephone **0344 770 1044** and quote "**Pen Underwriting Landlord's Legal Expenses**".

A claim form will be sent out by e-mail, fax or post within 24-hours. The claim form is required to be completed and returned along with supporting documentation within five days of it being received. To maintain an accurate record, **Your** telephone call may be recorded.

Claim forms can also be obtained from:-
<https://claims.arclegal.co.uk>

What happens next:

The claim will be assessed and if accepted and deemed appropriate, an Enquiry Agent will visit the **Tenant** and any **Guarantor**. If the Enquiry Agent is unable to reach an agreement with the **Tenant/Guarantor** to remedy his failure to perform his obligations under the **Tenancy Agreement**, **Our** panel solicitors or their agents will be appointed to act for **You**.

You or **Your** agent must give all information requested by **Us** or the **Adviser** within five days of receiving the request for that information.

You or **Your** agent must attend any court hearing if requested by the **Adviser**.

This claims procedure should be read in conjunction with the main terms and conditions of the insurance.

Privacy and Data Protection Notice

(For the purpose of this Privacy and Data Protection Notice only, 'We' means Arc Legal Assistance and the **Insurer**)

1. Data Protection

We will keep **Your** personal information safe and private. There are laws that protect **Your** privacy and We follow them carefully. Under the laws, AmTrust Europe Ltd is the company responsible for handling **Your** information (Data Controller). Here is a simple explanation of how We use **Your** personal information. For more information visit AmTrust's website at <https://amtrustinternational.com/dpn> or Arc's website at www.arclegal.co.uk

What we do with your personal information

We might need to use the information We have about **You** for different reasons.

For example, We might need it:

- to run through **Our** computerised system to decide if We can offer **You** this insurance.
- to help **You** if **You** have any queries or want to make a claim.
- to provide **You** with information, products or services if **You** ask **Us** to.
- for research or statistics.

We will need it:

- to provide this insurance.
- to contact **You** to ask if **You** want to renew it.
- to protect both **You** and **Us** against fraud and money laundering.
- to comply with the law and any regulations that apply.

There are some types of personal information that are extremely private/ sensitive and important such as information about **Your** health or any criminal convictions **You** might have. We might need this kind of information to decide if We can offer **You** this insurance or to help **you** with a claim. We will only use this information for these specific reasons and in line with regulatory conditions.

We might need to share **Your** information with other companies or people who provide a service to **Us**, or to **You** on **Our** behalf. They include companies that are part of **Our** group, people We work with, insurance brokers, **our** agents, reinsurers, credit agencies, medical professionals, insurance reference bureaus, fraud detection agencies, regulatory authorities and anyone else We might need to share it with by law. We will only share **your** information with them if We need to and if it is allowed by law.

Sometimes We might need to send **Your** information to another country outside of the UK and the EEA (European Economic Area) so that it can be processed, (stored etc). We

currently send it to the USA and Israel. We make sure that **Your** information is always kept safely and treated in line with the law and this notice.

You can tell **Us** if **You** do not want **Us** to use **Your** information for marketing. **You** can also ask **Us** to provide **You** with the information We have about **You** and, if there are any mistakes or updates, **You** can ask **Us** to correct them. **You** can also ask **Us** to delete **Your** information (although there are some things We cannot delete). **You** can also ask **Us** to give **Your** information to someone else involved in **Your** insurance. If **You** think We did something wrong with **Your** information, **You** can complain to the local data protection authority.

We will not keep **Your** information longer than We need to. We will usually keep it for 10 years after **Your** insurance ends unless We have to keep it longer for other business or regulatory reasons

If **You** have any questions about how We use **Your** information, **You** can contact **Our** Data Protection Officer. **You** can find their contact details on **Our** website (<https://amtrustinternational.com/dpn>).

Customer Service

Our aim is to get it right, first time, every time. If We make a mistake, We will try to put it right promptly. If **You** are unhappy with the service that has been provided **You** should contact **Us** in any way **You** choose:

Our contact details are:

Arc Legal Assistance Ltd
PO Box 8921
Colchester
CO4 5YD

Tel: 01206 615000

Email: customerservice@arclegal.co.uk

We will always confirm to **You**, within five working days, that We have received **Your** complaint. Within four weeks **You** will receive either a final response or an explanation of why the complaint is not yet resolved plus an indication of when a final response will be provided. Within eight weeks of **Us** receiving **Your** complaint, **You** will receive a final response or, if this is not possible, a reason for the delay plus an indication of when a final response will be provided.

If We have provided **You** **Our** final response and **You** are still unhappy, or more than eight weeks has passed from when We received **Your** original complaint and **You** are not satisfied with the delay **You** may refer **Your** complaint to the Financial Ombudsman Service. **You** can also refer to the Financial Ombudsman Service if **You** cannot settle **Your** complaint with **Us** or before We have investigated the complaint if both parties agree. For details and eligibility on the Financial Ombudsman Service, see <http://www.financial-ombudsman.org.uk/>

The Financial Ombudsman Service contact details are:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Tel 08000 234 567

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

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). If **We** fail to carry out **Our** responsibilities under this policy, **You** may be entitled to compensation from the Financial Services Compensation Scheme. Information about the scheme is available at www.fscs.org.uk or by phone on 0800 678 1100 or 020 7741 4100

Authorisation

Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority. Arc Legal's Firm Reference Number is 305958. This can be checked on the Financial Services Register by visiting the website www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768.

For policies starting up to and including 31st January 2025:

This policy is underwritten by AmTrust Europe Limited, Registered Office: Market Square House, St James's Street, Nottingham, NG1 6FG, Registered Number: 1229676.

AmTrust Europe Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority, financial services number: 202189. This can be checked on the Financial Services Register by visiting the website www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768.

For policies starting from and after 1st February 2025:

This policy is underwritten by AmTrust Specialty Limited, Registered Office: Exchequer Court, 33 St Mary Axe, London EC3A 8AA, Registered Number: 1229676.

AmTrust Specialty Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority, financial services number: 202189. This can be checked on the Financial Services Register by visiting the website www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768.

