

PROPERTY MANAGEMENT  
POLICY DOCUMENT



WALL TO WALL  
INSURANCE  
COVER

# Free Business Advice Service

## Available 24 hours each day, 7 days every week, all year round

These free helplines service are provided which you may use while your Policy is in force to discuss business problems in the following categories:

### Business Legal Advice Helpline

**0345 878 5024**

Unlimited access to a team of solicitors and other legal experts, for 24 hours confidential legal advice and guidance on any commercial legal problem such as:

- employment
- VAT
- prosecution
- contract disputes
- landlord and tenant disputes.

Please note that advice on motoring matters is not available.

Legal advice can only be offered in respect of matters subject to the laws of and within the jurisdiction of courts or tribunals of:

- England Scotland Wales and Northern Ireland
- the Channel Islands and the Isle of Man
- any other member country of the European Union
- Switzerland and Norway.

**This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited all calls are recorded.**

### Business Emergency Assistance Helpline

**0345 878 5024**

Assistance in the event of an emergency affecting your business, such as:

- burst pipes or blocked drains causing flooding
- complete failure of the gas or electricity supply
- serious damage to the roof
- escape of water or oil from the central heating system.

In the event of emergency assistance being required a reputable local contractor will be contacted but you must pay any call-out or repair charges. One telephone call will bring assistance usually within 2 hours.

As the helpline is available 24 hours a day and seven days a week you may call at any time.

Please ensure your Policy Number is available when telephoning as this will be requested - this appears on your Schedule.

**This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited all calls are recorded..**

### Emergency Glazing & Security Assistance Helpline

**0345 878 5455**

Our glass replacement service provides an efficient replacement service for fixed internal and external glass 24 hours a day, throughout the year. In addition, replacement locks or emergency security measures are also available.

Provided the Damage is covered by your Policy, the cost will be settled by us directly with our service providers. If, however, the Policy requires payment of the first amount of any claim, or if you are V.A.T. registered, our service provider will invoice you direct for this amount.

**Note:** Using any other repairer will not affect your right to claim.

**This helpline is provided on Our behalf by Glassolutions and calls may be recorded.**

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# How to Use Your Policy

## **Your Policy**

Your Policy contains details of the extent of cover available to You, what is excluded from the cover and the conditions on which the Policy is issued.

We wish to provide You with a good standard of service. To help Us achieve this, it is important that You read this Policy carefully. If it does not meet Your requirements, or You have any comment or query about the Policy, please contact Us through Your insurance adviser or at the office which issued Your Policy.

## **Your Schedule**

Your Schedule provides details of the insurance protection provided, the Sections of the Policy which are operative and the levels of cover You have.

Please examine Your Schedule to ensure it meets Your requirements.

## **Using the Business Assistance Helplines**

Details of Our 24 hour emergency and legal helplines and emergency glazing service are provided on the inside front cover this policy booklet.

## **Making a Claim**

To make a claim, first read Your Policy and Schedule and check that You are covered. Then follow the instructions provided under Claims Conditions A - Making a Claim.

You should ask Your insurance adviser for a claim form and let Us have as much information as soon as possible to help Us deal with Your claim promptly and fairly.

If You are dissatisfied with the way in which a claim or any other matter has been dealt with, please refer to Our Promise of Service at the back of this policy booklet.

# Property Management Policy

NIG policies are underwritten by U K Insurance Limited. This Policy is subject to the terms and conditions for the Period of Insurance shown in the Schedule and any subsequent period for which You shall pay and We agree to accept the premium. The statement of fact or proposal, this policy booklet and any information supplied by You shall be incorporated in the contract.

# Policy Definitions

Certain words and expressions in this Policy are defined to have a particular meaning. Some of these have the same meaning wherever they appear in the Policy, and are defined on this page. Others have meanings particular to the various Sections of the Policy, and are defined at the beginning of those Sections.

All words and expressions defined below start in the Policy with a capital letter wherever they appear to help You identify them.

## **We/Us/Our**

U K Insurance Limited trading as NIG and/or such other authorised Insurer as U K Insurance Limited may contract to underwrite any part of this Policy.

## **You/Your**

The Insured named in the Schedule.

## **Period of Insurance**

The period beginning with the Effective Date shown in the Schedule and ending with the Expiry Date and any other period for which We accept Your Premium.

## **Business**

The Business as shown in the Schedule and no other for the purposes of this Policy.

## **Premises**

Unless otherwise stated the buildings at the Premises are:

- a** built of brick stone or concrete
- b** roofed with slate tiles concrete asphalt metal or sheets or slabs composed entirely of incombustible mineral ingredients (with the exception of small outbuildings).

## **Property**

Material property.

## **Damage**

Loss, destruction or damage.

## **Injury**

Bodily injury death, illness, disease or shock.

## **Vacant or Disused**

Buildings or any part thereof that have become unoccupied, untenanted or which have not been actively used for a period of more than 30 consecutive days.

## **Index Linking**

Whenever a Sum Insured is declared to be subject to Index Linking it is adjusted at monthly intervals as follows:

- a** in respect of Buildings in accordance with the percentage change in the General Building Cost Information Service
- b** in respect of Landlords Contents in accordance with the Durable Goods Section of the Retail Prices Index.

At each renewal the Premium will be adjusted to apply to the Sum Insured which then pertains and We waive all rights to Additional Premium arising solely out of such index adjustments prior to renewal.

We reserve the right to use alternative suitable indices to those mentioned at any time without prior notice if either index becomes unavailable or inappropriate.

## **Excess**

The first amount of each and every claim for which You shall be responsible.

# General Conditions

## **A Observance of Conditions**

Your due observance and fulfilment of the terms and conditions of this Policy shall be conditions precedent to Our liability to make any payment under this Policy.

## **B Policy Voidable**

This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular.

## **C Reasonable Precautions**

You shall take all reasonable precautions to prevent liability Damage accident or Injury.

## **D Change of Risk**

We shall not be liable to make any payment under this Policy if:

- a** any change shall be made in the Premises the Business or the occupancy or duties of the Person-insured whereby the risk of Damage accident or Injury is increased, or
- b** Your interest ceases (unless the cessation is brought about by will or operation of law)

except where such alteration be notified to and accepted by Us.

## **E Cancellation**

### **1 Your Cancellation Rights**

- a** Your Policy may be cancelled by You within 14 days of receipt of Your Policy (This is known as the “cooling off” period). If You elect to cancel within this period You should return all documents to Your Broker, Intermediary or Agent and We will pay a refund of Premium for the full amount paid to You. If a claim has been made or an incident advised that could give rise to a claim during the “cooling off” period Your Policy will be treated by Us as in force and no refund of Premium will be made.
- b** If You elect to cancel Your Policy after the “cooling off” period has expired but still during any Period of Insurance You must give 14 days notice in writing to Your Broker, Intermediary or Agent. You will be entitled to a proportionate refund of Premium, based on the number of days remaining in the Policy period, unless a claim has been made (or an incident advised that could give rise to a claim) during the Period of Insurance when no refund of Premium for the Period of Insurance will be made.
- c** Where You pay by Instalments any amount of Premium returned under this condition will be reduced by any unpaid Premiums or instalments due at the time of cancellation.

### **2 Our Cancellation Rights**

- a** We may cancel Your Policy (or any Section of it) at any time and in any Period of Insurance by giving a minimum of 14 days notice to You in writing at Your last known address.
- b** You will be entitled to a proportionate refund of Premium, based on the number of days remaining in the Policy period, unless a claim has been made (or an incident advised that could give rise to a claim) during the Period of Insurance when no refund of Premium will be made.
- c** Where You pay by Instalments any amount of Premium refunded under this condition will be reduced by any unpaid Premiums or instalments due at the time of cancellation.

In relation to cancellation in any of the circumstances outlined above You shall immediately return to Us any effective Employers Liability Certificate(s) of Insurance

## **F Unoccupancy**

You must tell Us immediately You become aware of any Buildings, or portions of any Buildings, being or becoming unoccupied, or when unoccupied Buildings or portions of unoccupied Buildings are again occupied. We may then charge an Additional Premium as required.

If You have inadvertently omitted to tell Us of a short term letting of any unoccupied Buildings, We will continue to cover the Buildings for the causes of loss and the sum shown in the schedule provided You tell Us immediately You become aware of such omission and an Additional Premium is paid as required.

Within 20 days of You becoming aware of the Premises or any part thereof becoming unoccupied, untenanted or not having been actively used:

- a** the Premises are to be adequately secured against unauthorised entry with good quality locks and the letter boxes sealed shut. All windows and rooflights to be secured
- b** unfixed combustible materials both inside the Property and within the perimeter fence to be removed
- c** the gas and electricity mains services to be isolated and disconnected in a manner that would prevent unauthorised reconnection other than to maintain an intruder alarm system, security lighting or heating systems
- d** the water supply to be disconnected at the mains in such a manner that would prevent unauthorised reconnection and all water systems are to be drained. Should the draining of the water system be inappropriate due to the existence of fire protection systems, the central heating is to be kept in full working condition and the building heated to ensure a frost free level of temperature exists
- e** if sprinkler protection is maintained weekly tests are to be continued.
- f** storm water drainage and valley gutters must be inspected and cleaned as soon as the property becomes unoccupied and annually thereafter
- g** You must give Immediate notice to Us in the event of the Premises being unlawfully occupied and take appropriate action to remove such persons and re-secure the Premises
- h** the Premises to be inspected internally and externally by You or a responsible delegated representative at least once every 7 days and any defects discovered are to be promptly remedied. Details of each inspection should be recorded in writing.

## **G Choice of Law**

Under European Law, you and we may choose which law will apply to this contract. English Law will apply unless both parties agree otherwise. We have supplied this Agreement and other information to you in English and we will continue to communicate with you in English.

## **H Interest Clause**

The interests of third parties which You are required to include on this Policy under the terms of any mortgage, property lease, or hiring, leasing or hire purchase agreement are automatically noted subject to You advising Us as soon as is reasonably practicable.

## **I 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.



# Claims Conditions

## A Making a Claim

On the happening of any event which could give rise to a claim under this Policy You shall:

- 1 give immediate notice in writing to Us
- 2 give immediate notice to the Police in respect of:
  - a Damage by Theft or any attempt threat
  - b loss of Money by any cause whatsoever
  - c Damage by malicious persons
- 3 make no admission of liability or offer of promise or payment without Our written consent
- 4 inform Us immediately of any impending prosecution inquest or fatal inquiry or civil proceedings and send to Us immediately every relevant document
- 5 take all reasonable action to minimise or check any interruption of or interference with the Business
- 6 produce to Us such books of account or other business books or documents or such other proofs as may reasonably be required by Us for investigating or verifying the claim
- 7 supply to Us at Your own expense a claim in writing with such detailed particulars and proofs as may be reasonably required and (if demanded) a statutory declaration of the truth of the claim and any matters connected therewith within:
  - a 7 days of the occurrence of any Damage caused by Riot, Civil Commotion, industrial action or vandalism
  - b 30 days of the expiry of the Indemnity Period under the Rent Section
  - c 30 days of the occurrence of an incident under any other Section.

## B Control of Claims

We shall be entitled:

- 1 on the happening of Damage to the Property insured to enter take and keep possession of any building where Damage has happened and to take and keep possession of the Property insured and to deal with the salvage in a reasonable manner without thereby incurring any liability and without diminishing Our right to rely on any conditions of this Policy and this Policy shall be proof of leave and licence for such purpose
- 2 at Our discretion to take over and conduct in Your name the defence or settlement of any claim and to take proceedings at Our own expense and for Our own benefit but in Your name to recover compensation or secure indemnity from any third party in respect of any event insured by this Policy and You shall give all information and assistance required
- 3 to any Property for the loss of which a claim is paid hereunder and You shall execute all such assignments and assurances of such Property as may be reasonably required but You shall not be entitled to abandon any property to Us
- 4 to pay to You the maximum sum payable under the Public Liability Section in respect of any Occurrence or any lesser sum for which the claim or claims arising from such Occurrence can be settled and We shall not be under any further liability in respect of that Occurrence except for the payment of costs and expenses of litigation incurred prior to such payment.

**C Fraudulent Claims**

If any claim upon this Policy be in any respect fraudulent or if any fraudulent means or devices be used by You or anyone acting on Your behalf to obtain any benefit under this Policy or if any Damage be occasioned by Your wilful act or with Your connivance all benefit under this Policy shall be forfeited.

**D Other Insurances**

If at the time of any Damage or Occurrence there be any other insurance or indemnity effected by You or on Your behalf applicable to such event Our liability shall be limited to its rateable proportion. If any other such insurance or indemnity is subject to any provision whereby it is excluded from ranking concurrently with this Policy whether in whole or in part or from contributing rateably then Our liability shall be limited in respect of any Damage or Occurrence to any excess beyond the amount which would be payable under such other insurance or indemnity had this Policy not been effected.

**E Arbitration**

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the current statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent of any right of action against Us

**F** We shall be entitled at Our discretion to take over and conduct in Your name the investigation, defence, or settlement of any claim and to pursue any right of recovery in Your name following any payment which We make under this insurance. You must give Us any information or assistance We may reasonably require for these purposes. We will not pursue any claim against:

- 1** any of Your parent or subsidiary companies as defined in Section 154 of the Companies Act 1948
- 2** a tenant or lessee in respect of Damage to the part of the Buildings in the demise of that tenant or lessee or to common parts of the Buildings where the Premium has been paid or is contracted to be paid by the tenant or lessee unless the damage arises out of a criminal, fraudulent or malicious act of the tenant or lessee.

# General Exclusions

## This Policy does not cover

### A Radioactive Contamination

Damage to any Property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

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

NOTE: As far as concerns Bodily Injury caused to any of Your Employees if such Bodily Injury arises out of and in the course of employment or engagement of such person by You this Exclusion shall apply only in respect of:

- a the liability of any Principal
- b liability assumed by You under agreement and which would not have attached in the absence of such agreement.

### B Sonic Bangs

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

### C Fines

Fines, penalties, punitive or exemplary damages, or liquidated damages.

### D War, Government Action and Terrorism (not applicable to the 'Public Liability' and 'Employers' Liability' Sections)

This Policy does not cover Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:

- a War, Government Action or Terrorism
- b riot, civil commotion or malicious persons in Northern Ireland.

For the purpose of this Exclusion –

War shall mean war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion (other than in Northern Ireland) assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, or military or usurped power

Government Action shall mean martial law, confiscation, nationalisation, requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling preventing suppressing or in any way relating to War

Terrorism shall mean an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or in part for political religious ideological or similar purposes, or any action taken in controlling preventing suppressing or in any way relating to such act or acts

In any action suit or other proceedings where We allege that by reason of the provisions of this Exclusion any Damage is not covered by this insurance the burden of proving that such Damage is covered shall be upon You.

## **E War, Government Action and Terrorism (only applicable to the 'Public Liability' and 'Employers' Liability' Sections)**

This Policy does not cover any legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War, Government Action or Terrorism except to the extent stated in the Liability Provisions.

For the purpose of this Exclusion and its Liability Provisions -

War shall mean war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, or military or usurped power

Government Action shall mean martial law, confiscation, nationalisation, requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling preventing suppressing or in any way relating to War

Terrorism shall mean an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or in part for political religious ideological or similar purposes, or any action taken in controlling preventing suppressing or in any way relating to such act or acts.

### **Liability Provisions**

Subject otherwise to the terms definitions, exclusions, exceptions, provisions and conditions of this Policy

- 1** We will indemnify You under the 'Employers' Liability' Section provided that in respect of or arising out of any one event or all events of a series consequent on one original cause Our liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed £5,000,000

We will indemnify You under the 'Public Liability' Section against legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism provided that Our liability for all compensation (excluding costs) shall not exceed:

- a** in respect of or arising out of any one event or all events of a series consequent on one original cause £2,000,000 or the amount of the Indemnity Limit stated in the Schedule whichever is the lower
- b** in respect of all Pollution or Contamination consequent upon Terrorism and which is deemed to have occurred during any one Period of Insurance £2,000,000 in the aggregate or the amount of the Indemnity Limit stated in the Schedule whichever is the lower.

**F Computer Virus and Hacking (not applicable to the ‘ Public Liability’ and ‘Employers’ Liability’ Sections)**

This Policy does not cover:

- a** Damage to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether Your property or not, where such Damage is caused by Virus or Similar Mechanism or Hacking
- b** financial loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking

but this shall not exclude Damage or financial loss which is not otherwise excluded from this Policy and which results from Fire, Lightning, Explosion, Earthquake, Aircraft or other aerial devices or articles dropped therefrom, Riot, Civil Commotion, strikers, locked-out workers, persons taking part in labour disturbances, the acts of Malicious Persons (including the acts of thieves but excluding the acts of malicious persons which do not involve physical force or violence), Storm, Flood, Escape of Water or oil from any tank apparatus or pipe, sprinkler leakage or Impact by any vehicle or animal

For the purpose of this Exclusion –

Virus or Similar Mechanism shall mean program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not. The definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs.

Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data, whether Your property or not.

**G Pollution and Contamination (Applicable to the ‘Material Damage’ and ‘Rent’ Sections)**

Damage or loss of Rent caused by or arising from Pollution or Contamination except (unless otherwise excluded) Damage to the Property insured caused by:

- 1** Pollution or Contamination which itself results from Fire, Lightning, Explosion, Aircraft or other aerial devices or articles dropped therefrom, Riot, Civil Commotion, strikers, locked-out workers, malicious persons other than thieves, Earthquake, Storm, Flood, bursting overflowing discharging or leaking of water tanks, apparatus or pipes, sprinkler leakage, or Impact by any road vehicle or animal
- 2** any of the Contingencies in 1 above which itself results from Pollution or Contamination.

## **H Data Recognition**

Damage, accident or liability directly or indirectly caused by or consisting of or arising from the failure of any computer data processing equipment or media microchip, integrated circuit or similar device or other equipment or system for processing, storing or receiving data or any computer software, whether Your Property or not, and whether occurring before, during or after the year 2000:

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

In respect of the 'Material Damage' and 'Rent Sections', this Exclusion shall not exclude subsequent Damage not otherwise excluded which itself results from Fire, Lightning, Explosion, aircraft or other aerial devices or articles dropped therefrom, Riot, Civil Commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, Earthquake, Storm, Flood, Escape of Water from any tank apparatus or pipe, Theft or Impact by any vehicle or animal.

This General Exclusion shall not apply to the Employers' Liability Section

## **I Year 2000 Computer Equipment**

The expected cost which would have been incurred in modifying any computer data processing equipment or media microchip, integrated circuit or similar device or other equipment or system for processing, storing or receiving data or any computer software so as to be able correctly to recognise save, retain, manipulate, interpret or process any date after December 31st 1999 where such computer or other property is unable to do so at the time of any Damage insured by this Policy.

# Material Damage

## Definitions

### Buildings

Buildings at the Premises including landlord's fixtures and fittings, swimming pools, walls, gates, fences, patios, terraces, drives, yards, car parks, roads, pavements and associated underground pipes and cables belonging to You or for which You are responsible. The Buildings also include shop fronts and all fixed glass therein, blinds and fittings thereon and internal decorations on ceilings, walls and the like for which You are responsible as owner of the Premises.

The following Property is not included within Buildings:

- a** structures in course of construction or erection and materials or supplies in connection with such structures
- b** piers, jetties, bridges, culverts or excavations.

### Landlords Contents

Fixtures and fittings (not forming a permanent part of the structure), furniture, furnishings, utensils and domestic appliances belonging to You or for which You are responsible as Landlord excluding:

- a** stock and materials in trade
- b** bills of exchange, promissory notes, money, securities, stamps, deed, bonds or documents of any description
- c** computers and audio visual equipment
- d** Business books, plans, specifications, designs and computer records
- e** Jewellery, watches, furs, precious metals, precious stones or articles made from them
- f** Curios, works of art, antiques, sculptures or rare books
- g** Property in any tenants portion of the Buildings
- h** Property more specifically insured.

## Cover

We will Indemnify You in the event of Damage to the Property described by each Item in the Schedule caused by any of the following Perils, as shown in the Schedule:

### The Perils

- 1 a Fire** but excluding Damage caused by:
  - i** explosion resulting from fire
  - ii** earthquake or subterranean fire
  - iii a** its own spontaneous fermentation or heating or
  - b** its undergoing any heating process or any process involving the application of heat
- b Lightning**
- 2 Explosion**
  - a** of boilers or of gas used for domestic purposes only but excluding Damage caused by Earthquake or Subterranean Fire
  - b** otherwise but excluding Damage caused by or consisting of the bursting by steam pressure of a boiler economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under Your control.
- 3 Aircraft** and/or other aerial devices and/or articles dropped therefrom.
- 4 Earthquake, Subterranean Fire**
- 5 Riot, Civil Commotion**, strikers, locked out workers, persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation

Excluding Damage resulting from cessation of work or due to confiscation, requisition or destruction by order of the government or any public authority.

- 6 Malicious Persons** or vandals not acting on behalf of or in connection with any political organisation excluding Damage:
- a** resulting from cessation of work or due to confiscation requisition or destruction by order of the government or any public authority
  - b** caused by Theft
  - c** when the Premises are Vacant or Disused
  - d** to Property in the open unless agreed otherwise in writing by Us.

- 7 Theft or any attempt threat** involving:
- a** entry to or exit from the buildings at the Premises by forcible and violent means excluding any such loss from any structure which is incapable of being locked
  - b** violence or threat of violence to You or any of Your directors, partners, Employees or their families

excluding Damage in respect of Property in the open unless agreed otherwise in writing by Us.

- 8 Storm, Tempest** excluding Damage:
- a** caused by the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam
  - b** caused by inundation from the sea whether resulting from Storm or otherwise
  - c** caused by frost, Subsidence, Ground Heave or Landslip
  - d** attributable solely to change in the water table level
  - e** to fences, gates and Property in the open or in open sided buildings.

- 9 Flood** excluding Damage:
- a** caused by Storm or Tempest
  - b** caused by Escape of Water from any tank, apparatus or pipe
  - c** caused by frost, Subsidence, Ground Heave or Landslip
  - d** attributable solely to change in the water table level
  - e** to fences, gates and Property in the open or in open sided buildings.

- 10 Escape of Water** from any tank, apparatus or pipe or escape of oil from any fixed oil-fired heating installation including the cost of replacing any tank, apparatus or pipe which has suffered Damage at the time of the loss, excluding Damage:
- a** caused by water discharged or leaking from any automatic sprinkler installations
  - b** when the Premises are Vacant or Disused.

- 11 Impact** by:
- a** falling trees or boughs excluding Damage caused by lopping, pruning or felling
  - b** collapse or breakage of television or radio receiving aerials or satellite dishes
  - c** vehicles or animals.

- 12 Accidental Discharge or Leakage of Automatic Sprinkler Installations** excluding Damage occasioned by or attributable to:
- a** heat caused by Fire
  - b** freezing when the Premises are Vacant or Disused
  - c** repairs, alterations or extensions to the Buildings and/or sprinkler installations
  - d** defects in construction or condition of which You are aware.



**13 Accidental Breakage or Damage of Fixed Glass** or fixed sanitary ware. We will also cover the necessary and reasonable cost of boarding-up, temporary repairs, removal of debris and obstructions, removing or replacing frames, alarm foil, lettering, painting, embossing, silvering or other ornamental work including neon and other fixed signs which are also damaged.

This Peril does not cover:

- a** dilapidated frames and framework
- b** Damage occurring during removal or installation or arising out of repairs or alterations being carried out at the Premises
- c** Damage caused in connection with Theft of Property from the Premises unless Peril 7 is operative
- d** any item flawed or broken at the commencement of this insurance
- e** scratching or chipping
- f** Damage in any portion of the Building which is Vacant or Disused.

**14 Any Accidental Cause** excluding:

- a** Damage:
  - i** caused by or specifically excluded in Perils **1-13**
  - ii** caused by Theft or any attempt threat not involving:
    - 1** entry to or exit from the buildings at the Premises by forcible and violent means
    - 2** violence or threat of violence to You or any of Your directors, partners or Employees or their families
- b** Damage to the property insured caused by or consisting of:
  - i** inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, seepage below ground level, its own faulty or defective design or materials
  - ii** faulty or defective workmanship, operational error or omission on Your part or any of Your Employees

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

- c** Damage caused by or consisting of:
  - i** corrosion, rust, wet or dry rot, shrinkage, evaporation, leakage, loss of weight, dampness, contamination, fermentation, dryness, marring, scratching, vermin or insects
  - ii** change in temperature, colour, flavour, texture or finish, action of light

Damage consisting of:

- iii** 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
- iv** mechanical or electrical breakdown or derangement in respect of the particular machines, apparatus or equipment in which such breakdown or derangement originates

but this shall not exclude:

- 1** such Damage not otherwise excluded which itself results from any other accidental damage
- 2** subsequent Damage which itself results from a cause not otherwise excluded

- d** Damage caused by or consisting of:
  - i** Subsidence, Ground Heave or Landslip
  - ii** normal settlement or bedding down of new structures
  - iii** acts of fraud or dishonesty
  - iv** disappearance, unexplained or inventory shortage, misfiling or misplacing of information
  - v** electrical or magnetic injury, disturbance or erasure of electronic records
- e** Destruction of or Damage to a building or structure caused by its own collapse or cracking
- f** Damage in respect of Property in the open or in open-sided buildings, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust
- g** Damage to the Property Insured:
  - i** caused by Fire resulting from its undergoing any heating process or any process involving the application of heat
  - ii** (other than by Fire or Explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, adjustment or repair
- h** Damage:
  - i** caused by freezing
  - ii** to fixed glass and sanitaryware

in respect of any building which is Vacant or Disused
- i** Damage in respect of:
  - i** jewellery, precious stones, precious metals, bullion or furs
  - ii** Property in transit
  - iii** money, cheques, stamps, bonds, credit cards or securities of any description
  - iv** fixed glass and sanitaryware
    - 1** due to repairs and alterations being carried out at the Premises
    - 2** during installation or removal of such glass or sanitaryware
    - 3** which was broken or cracked prior to the inception of this Policy
- j**
  - i** vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
  - ii** Property or structures in the course of construction or erection and materials or supplies in connection with all such Property in course of construction or erection
  - iii** land, roads, piers, jetties, bridges, culverts or excavations
  - iv** livestock, growing crops or trees

unless specifically mentioned as insured by this Section
- k** Damage occasioned by delay, embargo, nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority.

- 15 Subsidence, Groundheave, Landslip** of any part of the site on which the Premises stand but excluding Damage:
- a** to yards, car parks, roads, pavements, swimming pools, walls, gates and fences unless also affecting a Building insured hereby
  - b** caused by or consisting of:
    - i** the normal bedding down or settlement of new structures
    - ii** the settlement or movement of made-up ground
    - iii** coastal or river erosion
    - iv** defective design or workmanship or the use of defective materials
    - v** Fire, Subterranean Fire, Explosion, Earthquake or the Escape of Water
  - c** Damage which originated prior to the inception of this cover
  - d** Damage resulting from:
    - i** demolition, construction, structural alteration or repair of any property, or
    - ii** groundworks or excavation at the same Premises
  - e** caused to the Building by its own collapse or cracking

#### **Special Condition**

You shall notify Us immediately of any demolition groundworks excavation or construction being carried out on any adjoining site and We shall then have the right to vary the terms or cancel this cover.

## **Extensions**

### **A Fees**

The insurance by this Section is extended to include Architects, Surveyors, Legal and Consulting Engineers Fees necessarily incurred in the reinstatement or repair of the Property insured consequent upon its Damage but not for preparing any claim.

### **B Public Authorities**

The insurance by this Section is extended to include the additional cost of reinstatement of the Property sustaining Damage thereby insured and undamaged portions thereof incurred solely to comply with European Community legislation, regulations under Acts of Parliament or local authority by-laws, provided that:

- a** You receive the notice to comply after the Damage occurs
- b** the work of reinstatement is completed within twelve months of the date of the Damage, or within such further time as We may allow in writing
- c** We shall not be liable for any additional rate, tax duty or other charge which may become payable following compliance with such legislation, regulations or by-laws.

### **C Underground Services**

Accidental Damage for which you are legally liable to underground pipes cables drains (and their relevant inspection covers) supplying services to and carrying waste from the Premises to the point of junction with public supply lines, mains and sewers.

### **D Clearing of Drains**

The insurance by this Section is extended to cover expenses necessarily incurred in clearing, cleaning and/or repairing drains, gutters, sewers and the like in consequence of Damage caused by any of the Perils insured occurring on Your own Premises.

**E Loss of Metered Water**

Cover against Damage caused by Escape of Water from any tank apparatus or pipe not being automatic sprinkler installations includes up to £25,000 for the cost of water (calculated at the current rate per cubic metre) consumed as a direct result of the escape.

**F Non-Invalidation**

This insurance will not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased unknown to You or beyond Your control provided that You immediately give notice to Us as soon as You become aware of the above and pay an Additional Premium if required.

**G Contracting Purchaser's Interest**

If at the time of Damage You have contracted to sell Your interest in any Building insured by this Section and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase (if and so far as the Property is not otherwise insured against such Damage by them or on their behalf) shall be entitled to benefit under this Section without prejudice to Your and Our rights and liabilities until completion.

**H Mortgage**

The act or neglect of any mortgagor, leaseholder, lessee or occupier of any Building insured by this Policy whereby the risk is increased without the authority or knowledge of any mortgagee, freeholder or lessor will not prejudice the interest of the latter parties in this insurance provided they notify Us immediately on becoming aware of such increased risk and pay an Additional Premium if required.

**I Removal of Debris**

The insurance by this Section is extended to include costs and expenses necessarily incurred by you with Our consent in:

- i** removing debris from the site of the Premises and the area immediately adjacent to such site
  - ii** dismantling and/or demolishing
  - iii** shoring up or propping
- of the portion or portions of the Property sustaining Damage by any of the Perils

We will not pay for any costs or expenses:

- 1** incurred in removing debris except from the site of such Property sustaining Damage and the area immediately adjacent to such site
- 2** arising from Pollution or Contamination of Property not insured by this Section.

**J Removal of Debris - Tenant's Contents**

The insurance by this Section is extended to include irrecoverable costs and expenses necessarily incurred by You with Our consent in removing from the Premises the debris of Contents (not being Your Property) sustaining Damage by any of the Contingencies insured up to a limit of £25,000 any one Premises.

We will not pay for any costs or expenses:

- i** incurred in removing debris except from the site of such Property sustaining Damage and the area immediately adjacent to such site
- ii** arising from Pollution or Contamination of Property not insured by this Section.

**K Damage by Emergency Services**

The insurance by this Section is extended to include the cost of restoring any Damage caused to gardens by the Emergency Services in attending the Premises as a result of the operation of any Contingency insured under this Section up to a maximum of £25,000 any one claim.

#### **L Trace and Access**

In the event of Damage by Perils **6,10** or **11** the insurance by this Section extends to include costs necessarily and reasonably incurred in locating the source of the Damage to effect repairs and the costs of making good up to a limit of £25,000 any one claim.

#### **M Temporary Removal**

The insurance by this Section is extended to include Landlords Contents whilst temporarily removed from or in transit to or from the Premises for cleaning, renovation, repair or similar purposes but remaining in the United Kingdom, the Republic of Ireland, the Channel Islands or the Isle of Man but excluding:

- i** any amount exceeding 10% of the Sum Insured stated in the Schedule in respect Landlords Contents
- ii** Property otherwise insured.

#### **N Replacement Locks**

The insurance by this Section is extended to include the cost of changing the safe and external door locks at the Premises up to a limit of £1,000 following loss of keys:

- i** by Theft from Your Premises or Your home or that of Your authorised Employee
  - ii** by robbery as insured herein whilst such keys are in Your personal custody or that of Your authorised Employee
- excluding the first £25 of each and every claim.

#### **O Value Added Tax**

Cover in respect of Buildings extends to include Value Added Tax paid by You (including “Self-Supply” Value Added Tax) which is not subsequently recoverable provided that:

- i**
  - 1** Your liability for such tax arises solely as a result of the rebuilding or repair of the Buildings to which such item relates following Damage
  - 2** We have paid or agreed to pay for such Damage
  - 3** If any payment made by Us in respect of the rebuilding or repair is less than the actual cost of the rebuilding or repair any payment resulting from that Damage shall be reduced in like proportion
- ii** Our liability for such tax does not arise from the replacement Buildings having greater floor area than or being better or more extensive than the destroyed or damaged Buildings
- iii** Our liability shall not include amounts payable by You as penalties or interest for non-payment or late payment of tax.

#### **P Fire Extinguisher and Alarm Resetting Expenses**

We will pay the reasonable costs incurred by You in resetting fire and burglar alarms and refilling fire extinguishing appliances and replacing used sprinkler heads solely in consequence of insured Damage to the Property Insured.

#### **Q Contractor’s Interest**

Cover is extended to include the contractor’s interest as joint named Insured in respect of the Buildings where required under the terms of a contract condition, where the contract value does not exceed £150,000 or 10% of the Sum Insured shown in the schedule for Buildings (whichever is the lower).

#### **R Unauthorised Use of Electricity, Gas and Water**

We will pay up to £25,000 in all during the Period of Insurance for the cost of electricity, gas and metered water for which You are legally responsible arising from its unauthorised use by persons occupying the Buildings without Your authority, provided You ensure the Buildings are inspected weekly and that all practical steps are taken to stop such unauthorised use.

### **S Additional Metered Water Charges**

We will pay up to £25,000 in all during the Period of Insurance for loss of metered water. The amount We pay will be calculated by comparing the charge made by the water suppliers on their account for the period during which the Damage occurred with the normal charge adjusted for any other relevant factors affecting Your consumption of water during such a period.

This insurance does not cover:

- i** any loss resulting from the Escape of Water from any tank, apparatus or pipe while the Buildings are Vacant or Disused
- ii** any loss at any Property occupied as a farm
- iii** accidental discharge of leaking water from any automatic sprinkler installation
- iv** the first £250 of each and every loss.

### **T Additional Sprinkler Costs**

If required by Us, We will at Our expense pay for the costs in upgrading an automatic sprinkler installation to the current Loss Prevention Council (LPC) rules solely following physical loss or physical damage to the Buildings, provided that at the time of the damage the installation conformed to the:

- i** 28th or 29th edition rules, or
- ii** Rules for Automatic Sprinkler Installations as issued by the Fire Officers Committee and/or Loss Prevention Council current at the time of installation.

### **U Investigation Expenses**

If, following Damage covered under this insurance, in the opinion of a competent construction professional there is a reasonable possibility of other Damage to portions of the same Buildings which is not immediately apparent, We will pay the reasonable costs incurred by You with Our prior consent, in establishing whether or not such Damage has occurred.

We will pay up to £10,000 any one claim.

### **V Additional Management Fees**

We will pay up to £25,000 during any one Period of Insurance, towards the managing agents fees necessarily and reasonably incurred in respect of the management and supervision of repair or rebuilding work following Damage covered under this insurance, where the fees are in respect of additional work which would not have been necessary had the Damage not occurred.

We will not cover the cost of preparing any claim under this insurance.

### **W Undamaged Portions of Buildings**

We will also cover the cost of replacing or modifying undamaged portions of the Buildings in so far as it is necessary to effect alterations in keeping with the repairs, restoration or replacement of the damaged portion of the Buildings provided that the amount recoverable in respect of undamaged portions of the Buildings (other than foundations) shall not exceed 15% of the total cost of rebuilding had the Buildings damaged been totally destroyed.

## Basis of Settlement

In the event of Damage to the Property Insured by this Section, one of the following basis of settlement shall apply as shown in the Schedule:

### 1 Reinstatement

Whenever claims Settlement is declared to be on a Reinstatement Basis, the basis upon which the amount payable in respect of the Property Insured is to be calculated shall be as follows:

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

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

### Special Conditions

- i** Our liability for the repair or restoration of Property damaged in part only shall not exceed the amount which would have been payable had such Property been wholly destroyed
- ii** 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 by any item subject to this Clause exceeds the Sum Insured at the commencement of any Damage, Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time.
- iii** No payment beyond the amount which would have been payable in the absence of this Clause shall be made:
  - 1** unless reinstatement commences and proceeds without unreasonable delay
  - 2** until the cost of reinstatement shall have been actually incurred
  - 3** if the Property insured at the time of the Damage shall be insured by any other insurance effected by You or on Your behalf, which is not upon the same basis of reinstatement.
- iv** All the terms and conditions of this Policy shall apply:
  - 1** in respect of any claim payable under the provisions of this Clause except insofar as they are varied hereby
  - 2** where claims are payable as if this Clause had not been incorporated.

## **2 Day-One Non-Adjustable**

Provided that you notify Us at the beginning of this insurance of the actual reinstatement cost of the Property insured (the Declared Value), We will pay the Sum Insured shown in the schedule in order to take account of any inflationary increases during the Period of Insurance which may effect the reinstatement cost of the Property Insured in accordance with Basis of Settlement 1 Reinstatement.

Declared Value shall mean:

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, allowance for:

- a** the additional cost of Reinstatement to comply with public authority requirements
- b** professional fees
- c** debris removal costs

## **3 Indemnity Value**

We will pay the rebuilding or repair costs at the time of loss less an appropriate deduction for age and condition.

## **4 Demolition Value**

If the Buildings are destroyed We will pay the market value of the building materials only.



## Special Conditions Applicable to this Section

### 1 Limit of Liability

The maximum amount payable in respect of any Item insured under this Section is the Sum Insured stated in the Schedule for each Item (plus Index Linking if applicable).

### 2 Basis of Claims Settlement

The Basis of Settlement for each and every Item under this Section shall be as stated on the Schedule.

### 3 Designation

For the purpose of determining where necessary the heading under which Property is insured. We agree to accept the designation under which such Property has been entered in Your books.

### 4 Automatic Reinstatement of Loss

Unless there is written notice by Us to the contrary in the event of Damage under this Section We shall automatically reinstate the Sum Insured provided that You undertake to pay the appropriate Additional Premium.

### 5 Excess

We shall not be liable for the amount of the Excess stated in the Schedule for each and every claim.

### 6 Inspection

Access to the Buildings must available to us at all reasonable times for the purposes of inspection.

### 7 Sprinklers

If any faults, defects, alterations or modifications to any automatic sprinkler system are made or found You must notify Us immediately You become aware. If necessary, We may suspend this insurance until such time as any alteration or repair work required by Us has been carried out and approved to Our satisfaction.

### 8 Demolition Works

You must notify Us immediately You become aware of any demolition, groundwork, excavations or construction being carried out on any adjoining site or of any Subsidence in the immediate area of Your Premises.

We shall then have the right to vary or cancel the cover provided by this insurance.

### 9 Building Works

You must advise Us of any building work, including but not restricted to maintenance, repairs, alterations or extensions, where the contract value is in excess of £150,000 or 10% of the Sum Insured shown in the Schedule for Buildings (whichever is the lower).

## Exclusions

- 1 Property more specifically insured by You or on Your behalf.
- 2 Damage due to cessation of work or by confiscation or detention by customs or other officials or authorities.
- 3 Damage to any electrical plant or fitting by Fire occasioned by self-ignition, overrunning, excessive pressure, short circuiting, self heating or leakage of electricity.
- 4 Damage which originated before the start of this insurance.

# Rent

## Definitions

### Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than the number of months stated in the Schedule during which the Rent receivable is affected as a result of the Damage.

### Rent

The actual and anticipated income including service charges paid or payable to You from the letting of Premises specified in the Schedule.

### Additional Expenditure

The Additional Expenditure necessarily and reasonably incurred with Our consent.

## Cover

### 1 Loss of Rent

If any Property owned by You or for which You are responsible sustains Damage, for which liability has been admitted under the 'Material Damage' Section (or another material damage insurance arranged on Your behalf where liability has been admitted), causing an interruption of the Business which results in loss of Rent We will indemnify You for the:

- a** amount by which the Rent receivable during the Indemnity Period, as a result of Damage, falls short of the Rent which would have been received during the Indemnity Period had no Damage occurred
- b** Additional Expenditure for the sole purpose of avoiding or diminishing the reduction in Rent during the Indemnity Period as a result of the Damage, not exceeding the amount of Rent thereby avoided

less any sum saved during the Indemnity Period in respect of charges or expenses payable out of Rent which cease or are reduced as a result of the Damage and provided that Our liability in respect of each Item on Rent will not exceed 200% of the Sum Insured.

- c** auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this Section.
- d** the additional necessary and reasonable costs incurred by you in re-letting a formerly tenanted property.

## Extensions

Cover provided by this Section is extended to include:

### 1 Boiler Explosion

loss of Rent following interruption of the Business as a result of Damage resulting from the explosion of any boiler or economiser on the Premises belonging to You or under Your control.

### 2 Prevention of Access

loss of Rent following interruption of the Business as a result of:

- a** Damage to property in the vicinity of the Premises caused by any of the Perils insured under the Material Damage Section which prevents or hinders use of or access to the Premises
  
- b** Damage to property at the premises of Your managing agents in the United Kingdom, the Channel Islands or the Isle of Man.
  
- c** a restriction in the use of Your premises:
  - i** imposed by a local authority but not arising from any outbreak of disease at the Premises except arising from Legionellosis caused by defective equipment at Premises.
  - ii** due to Damage, as would be covered under the “Material Damage” Section of Your Policy, to gas, water and electricity stations or sub stations supplying Services to Your Premises.

The indemnity period in respect of a restriction under **i** above arising from an outbreak of Legionellosis is limited to three months from the discovery of the outbreak.

### 3 Alternative Accommodation

In the event of Damage to the Premises caused by any of the Perils insured under the Material Damage Section resulting in:

- a** a residential portion of the Premises being uninhabitable  
or
- b** access being prevented to a residential portion of the Premises

this insurance extends to include the reasonable additional cost of similar comparable accommodation incurred by the lessee or owner until the residential portion is habitable or accessible.

The amount payable under this Extension will not exceed 20% of the Sum Insured applicable to the residential portion of the Buildings shown in the Schedule during any one Period of Insurance.

### 4 Sale of Property

If You have contracted to sell the Buildings and the sale is subsequently delayed or cancelled as a direct result of Damage as covered under the ‘Material Damage’ Section of this Policy, or another material damage insurance arranged on Your behalf where liability has been accepted, We will pay:

- a** the actual interest charges incurred by You on capital borrowed in anticipation of the sale proceeds from the Buildings, or
- b** for the loss of actual investment interest lost on sale proceeds

provided every reasonable effort is made by You to complete the sale of the Property. The above interest will be calculated from the date of the proposed sale and end on the date of actual sale or expiry of the indemnity period, whichever is the earlier.

## Special Conditions Applicable to this Section

### 1 Limit of Liability

The maximum amount payable in any one Period of Insurance in respect of any Item insured under this Section is the Sum Insured stated in the Schedule for each Item.

### 2 Automatic Reinstatement of Loss

Unless there is written notice by Us to the contrary in the event of Damage under this Section We shall automatically reinstate the Sum Insured provided that You undertake to pay the appropriate Additional Premium.

### 3 Cessation of Trading

This Section shall be avoided if the Business is wound up or carried on by a liquidator or receiver or permanently discontinued at any time after the commencement of the Period of Insurance unless We give Our written consent.

### 4 First Financial Year

In the event of Damage occurring before expiration of the First Financial Year of the Business the results of the Business to date of the Damage shall be used as a basis upon which to assess what the rental income for the First Financial Year would have been had the Damage not occurred.

### 5 Payment on Account

In the event of Damage We will, if requested by You, make monthly payments on account during the Indemnity Period.

### 6 Unoccupied Buildings

Where the Buildings or any part of them are unoccupied and sustain Damage during the Period of Insurance Our maximum liability will be the loss of Rent during the period of reinstatement of repair and will be calculated based solely upon any tenancy agreement in respect of such Building in existence at the time of the Damage occurring.

# Public Liability

## Definitions

### Business

The Business as shown in the Schedule shall include:

- a** ownership, maintenance and repair of the Premises
- b** the provision and management of canteen, sports, social or welfare organisations for the benefit of Employees
- c** fire, security, first aid, medical and ambulance services
- d** private work undertaken with Your prior consent by Employees for any of Your directors or senior officials.

### Territorial Limits

This Section shall apply in respect of liability incurred:

- a** in the United Kingdom the Channel Islands or the Isle of Man
- b** elsewhere in the world where You or any of Your directors, partners or Employees normally resident in the United Kingdom, the Channel Islands or the Isle of Man are temporarily performing non-manual work in connection with the Business.

## Cover

In the event of the Contingency described below We will indemnify You against the following:

- a** all sums which You shall become legally liable to pay for compensation and claimants' costs and expenses in respect of the Contingency in connection with the Business
- b** all costs and expenses of litigation incurred with Our written consent in respect of a claim against You to which the indemnity expressed in this Section applies
- c** the payment of the solicitor's fee incurred with Our written consent for representing You at proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in the Contingency which may be the subject of indemnity under this Section or at any Coroner's Inquest or Fatal Accident Inquiry in respect of such Contingency.

## Contingency

### 1 Public Liability and Property Owners Liability

- a** Accidental Injury to any person other than an Employee (as defined within the Employers Liability Section of this Policy) if such injury arises out of and in the course of their employment by You
- b** Accidental Damage to Property not belonging to You or in Your charge or under Your control or that of any Employee
- c** Loss arising from trespass, nuisance, obstruction, loss of amenities or interference with any easement of air, light, water or right of way

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

Our liability for all compensation (excluding costs) payable under this Contingency to any claimant or number of claimants in respect of or arising out of any one event or all events of a series consequent on one original cause shall not exceed the Indemnity Limit stated in the Schedule.

## Extensions

### 1 Cross Liabilities

If there is more than one Insured specified in the Schedule this Section shall apply separately to each one as if a separate Policy had been issued to each but Our total liability shall not exceed the Indemnity Limit.

### 2 Motor Vehicles

We will indemnify You up to the Limit of Indemnity against any claim for damages, which You are legally liable to pay for bodily injury or property damage occurring during the Period of Insurance:

- a** caused by any motor vehicle owned by You or in Your care custody or control, which is not licensed for road use.  
This insurance does not cover liability arising out of any mechanically propelled vehicle which is being used by You or by others with Your permission on any public road where the Road Traffic Act requires you to insure it.
- b** happening during the act of loading or unloading of motor vehicle.

### 3 Motor Contingent Liability

We will indemnify You in respect of liability arising out of the use of any motor vehicle not belonging to or provided by You and being used in the course of the Business anywhere in the United Kingdom, the Isle of Man or the Channel Islands provided that We shall not be liable:

- a** in respect of Damage to the vehicle
- b** whilst the vehicle is being driven by You or any person with Your general consent who to Your knowledge or any one on Your behalf does not hold a licence to drive such vehicle unless such person has held and is not disqualified for holding or obtaining such a licence.

### 4 Defective Premises Act 1972

We will indemnify You under Contingency 1 (Public Liability and Property Owners Liability) in respect of legal liability arising out of the ownership of premises in the event of any premises being disposed of by You prior or subsequent to the inception of this Policy where such liability devolves upon You by reason of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 provided that:

- a** such liability is not otherwise insured
- b** We will not be liable in respect of Damage to that part of such premises on which You or anyone on Your behalf has worked if such Damage directly results from such work.

### 5 Wrongful Arrest

We will indemnify You under Contingency 1 (Public Liability and Property Owners Liability) in respect of Your legal liability arising out of wrongful arrest, malicious prosecution, detention, imprisonment, eviction or invasion of the right of privacy of any person (not being an Employee) up to a maximum amount of £25,000 in any one Period of Insurance.

### 6 Compensation for Court Attendance

In the event of any of the undermentioned 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 at the following rates per day for each day on which attendance is required:

- a** £250 for You or any of Your directors or partners
- b** £100 for any Employee

## **7 Data Protection Act**

We will indemnify You and at Your request any director or partner of Yours or any Employee against the sums which You or any director or partner of Yours or any Employee become(s) legally liable to pay as damages under Section 13 of the Data Protection Act 1998 for Damage or distress caused in connection with the Business during the Period of Insurance provided that You are

- a** a registered user in accordance with the terms of the Act
- b** not in business as a computer bureau

The total amount payable including all costs and expenses under this Extension in respect of all claims occurring during any one Period of Insurance is limited to £250,000.

The indemnity provided by this Extension shall not apply to:

- i** any Damage or distress caused by any deliberate act or omission by You the result of which could reasonably have been expected by You having regard to the nature and circumstances of such act or omission
- ii** any Damage or distress caused by any act of fraud or dishonesty
- iii** the costs and expenses of rectifying, rewriting or erasing data
- iv** liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person
- v** the payment of fines or penalties.

## **8 Additional Persons Insured**

We will subject to the terms of this Section indemnify:

- a** in the event of the death of any person entitled to indemnity under this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person.
- b** at Your request:
  - i** any principal in respect of liability arising out of the performance by You of any agreement entered into by You with the principal to the extent required by such agreement
  - ii** any of Your directors or Employees in respect of liability arising in connection with the Business

provided that You would have been entitled to indemnity under this Section if the claim had been made against You

- iii** any officer, committee or member of Your canteen, sports, social or welfare organisations, fire, security, first aid, medical or ambulance services in their respective capacities as such
- iv** any of Your directors or senior officials in respect of private work undertaken by any Employee for that director or senior official.

Provided that:

- i** such persons are not entitled to indemnity under any other policy covering such liability
- ii** each person will as though they were You observe fulfil and be subject to the terms of this Policy insofar as they can apply
- iii** We shall retain sole conduct and control of any claim
- iv** where We are required to indemnify more than one party Our total liability shall not exceed the relevant Indemnity Limit.

## **9 Worldwide Personal Liability**

We will subject to the terms of this Section indemnify any person mentioned in Extension **8b** above or his or her spouse during temporary visits anywhere in the world in connection with the Business but excluding liability arising from such a person owning or occupying land or buildings, or carrying on any trade or profession.

## **10 Contractors Contingent Liability**

We will subject to the terms of this Section indemnify You in respect of liability arising out of minor work carried out by bona-fide contractors in the form of decorations, repairs and routine maintenance provided that:

- a** such persons are not entitled to indemnity under any other policy covering such liability
- b** Our maximum liability shall not exceed the Limit of Indemnity stated in the Schedule.

## **11 Contractual Liability**

If You, by agreement, assume liability that would not otherwise have attached, the cover under this Section will only apply if We have sole conduct and control of all claims but excluding liability:

- a** for liquidated damages or under any penalty clause
- b** arising from any contract which involves work outside the United Kingdom , the Channel Islands and the Isle of Man
- c** for Damage to property caused by those risks against which You are required to effect insurance by reason of Clause 21.2.1 of the Standard Form of Building Contract issued by the Joint Contracts Tribunal or any other contract condition incorporating a similar requirement.

## **12 Health and Safety at Work, etc Act 1974**

Irrespective of whether any person has sustained Injury We will indemnify You and at Your request also pay the costs and expenses incurred in defending any of Your partners or Employees in the event of such a person being prosecuted for an offence under the Health and Safety at work Act 1974 or the Health and Safety at Work (northern Ireland) Order 1978. We will also pay the costs incurred with Our written consent in appealing against any judgement given provided that:

- a** the proceedings relate to an offence alleged to have been committed in the course of the Business during the Period of Insurance
- b** this indemnity does not:
  - i** provide for the payment of fines or penalties
  - ii** apply to proceedings which arise out of any activity or risk excluded from this Policy.



## Exclusions

This Section shall not apply to liability in respect of:

- 1** the ownership, possession or use by You of any buildings not insured under the 'Material Damage' Section of this Policy unless otherwise stated in the Schedule
- 2** the ownership, possession or use by You of any land unless We have agreed to provide cover in respect of such land
- 3** Injury or Damage arising out of manual work away from Your Premises, other than collection or delivery
- 4** Injury or Damage arising from the ownership, possession or use by You or on Your behalf of:
  - a** any mechanically propelled vehicle (including any type of machine on wheels or caterpillar tracks) licensed for road use or for which compulsory insurance or security is required by any road traffic legislation (except the loading or unloading of such vehicle or trailer or the delivery or collection of goods in connection with such vehicle or trailer when You are not entitled to indemnity under any other policy)
  - b** any vessel or craft (other than hand propelled boats) made or intended to float on or in or travel through water or air or space or the loading or unloading of such vessel or craft
- 5** Injury or Damage arising from or caused by any professional negligence, wrongful or inadequate treatment, examination, prescription, advice by You or anyone acting on Your behalf
- 6** any goods which You supply, install, erect, repair, alter or treat
- 7** the cost of rectifying or replacing defective work
- 8** Pollution or Contamination other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

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

Our liability in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the Indemnity Limit shown in the Schedule.

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

- a** all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and
  - b** all Damage or Injury directly or indirectly caused by such Pollution or Contamination
- 9** Damage to any commodity, article or thing supplied, installed or erected by You if such Damage is attributable to any defect therein or the harmful nature or unsuitability thereof.

# Employers' Liability

## Definitions

### Business

The Business as shown in the Schedule shall include:

- a** ownership, maintenance and repair of the Premises
- b** the provision and management of canteen, sports, social or welfare organisations for the benefit of Employees
- c** fire, security, first aid, medical and ambulance services
- d** private work undertaken with Your prior consent by Employees for any of Your directors or senior officials

### Territorial Limits

This Section shall apply in respect of liability incurred:

- a** in the United Kingdom, the Channel Islands or the Isle of Man
- b** elsewhere in the world where You or any of Your directors, partners or Employees normally resident in the United Kingdom, the Channel Islands or the Isle of Man are temporarily performing non-manual work in connection with the Business.

### Employee

Any person who is:

- a** under a contract of service or apprenticeship with You
- b** supplied under a youth training scheme or job training scheme or similar government scheme
- c** a labour master or supplied by a labour master
- d** employed by labour only sub-contractors
- e** self employed
- f** hired to or borrowed by You
- g** a prospective Employee who is being assessed by You as to their suitability for employment
- h** supplied to You for the purposes of work experience
- i** a voluntary helper

while working for You or under Your supervision and control in connection with the Business.

## Cover

In the event of the Contingency described below We will indemnify You against the following:

- a** all sums which You shall become legally liable to pay for compensation and claimants' costs and expenses in respect of the Contingency in connection with the Business
- b** all costs and expenses of litigation incurred with Our written consent in respect of a claim against You to which the indemnity expressed in this Section applies.
- c** The payment of the solicitor's fee incurred with Our written consent for representing You at proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in the Contingency which may be the subject of indemnity under this Section or at any Coroner's Inquest or Fatal Accident Inquiry in respect of such Contingency.

## Contingency

### Employers' Liability

Accidental Injury caused during the Period of Insurance to any Employee if such Injury arises out of and in the course of their employment by You.

Our liability for all compensation, legal costs and expenses and solicitors' fees payable under this Contingency to any claimant or number of claimants consequent on one original cause shall not exceed the Indemnity Limited stated in the Schedule.

Cover under this Section shall not apply to liability for injury to any Employee (other than the driver) for which compulsory insurance or security is required by any road traffic legislation.

## Extensions

### 1 Indemnity to Principals

We will, at Your request, indemnify any principal to the extent required by the contract between You and the principal in respect of liability arising from the performance of work by You for such principal

provided that:

- a** We shall retain sole conduct and control of any claim
- b** the principal shall observe, fulfil and be subject to the terms, conditions, exclusions and limits of this Section in so far as they can apply.

### 2 Health and Safety at Work, etc. Act 1974

Irrespective of whether any person has sustained Injury We will indemnify You and at Your request also pay the costs and expenses incurred in defending any of Your partners or Employees in the event of such a person being prosecuted for an offence under the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978. We will also pay the costs incurred with Our written consent in appealing against any judgement given provided that:

- a** the proceedings relate to an offence alleged to have been committed in the course of the Business during the Period of Insurance
- b** this indemnity does not:
  - i** provide for the payment of fines or penalties
  - ii** apply to proceedings which arise out of any activity or risk excluded from this Policy.

### 3 Unsatisfied Court Judgements

In the event of a judgement for damages being obtained by any Employee in respect of Injury caused during any Period of Insurance and arising out of and in the course of employment by you in the Business against any company or individual operating from Premises within the United Kingdom, the Channel Islands or the Isle of Man in any court situate in those territories and remaining unsatisfied in whole or in part six months after the date of such judgement We will at Your request indemnify up to the Indemnity Limit the said Employee or their personal representative up to the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that:

- a** there is no appeal outstanding
- b** if any payment is made hereunder the Employee or the personal representative of the Employee shall assign the judgement to Us
- c** this Extension shall not apply to any claim arising out of any mechanically propelled vehicle for which insurance under any Road Traffic Act legislation is required.

#### **4 Injuries to Working Partners**

In respect of Injury sustained by any working partner named in the Schedule We will deem such partner to be an Employee proved that We shall only be liable under this Extension where:

- a** the Injury is sustained whilst such partner is working in connection with the Business
- b** the Injury is caused by the negligence of another partner or Employee whilst working in the Business.

#### **5 Compensation for Court Attendance**

In the event of any of the undermentioned 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 at the following rates per day for each day on which attendance is required:

- a** £250 for You or any of Your directors or partners
- b** £100 for any Employee

### **Special Condition Applicable to this Section**

#### **1 Law Applicable**

The Indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in the United Kingdom, the Channel Islands or the Isle of Man.

However, You will repay Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law.

### **Exclusions**

This Section shall not apply to liability in respect of Bodily Injury:

- 1** caused to an Employee (other than the driver) being carried in or upon a vehicle or entering or getting onto or alighting from a vehicle where such Bodily Injury is caused by or arises out of the use by You of a vehicle on the road. For the purpose of this Exclusion the expressions 'vehicle', 'use' and 'road' shall have the same meanings as in Part VI of the Road Traffic Act 1988
- 2** caused to an Employee ordinarily resident outside Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

# Additional Extensions

The following additional covers apply to the 'Material Damage' and 'Rent' Sections:

## 1 Capital Additions

We will automatically cover any newly erected or acquired Buildings and any respective Rent anywhere in the United Kingdom, including contract works where the contract value does not exceed £150,000 or 10% of the Sum Insured shown in the individual schedule for Buildings (whichever is the lower) not otherwise specifically insured, provided that We are notified within 6 months of the commencement of such works.

If You do not make a claim under this insurance, We will waive any premium due for this cover.

The maximum We will pay for:

- a** Buildings shall not exceed £2,000,000 or 20% of the total Sum insured for Buildings (whichever is the lower)
- b** Rent shall not exceed £250,000 or 20% of the total Sum Insured for Rent (whichever is the lower)

## 2 New Purchases and Acquisitions

Cover is extended to include Your interest in any Building between exchange and completion of the contract (only where more specific cover is in force via the vendor's own insurance arrangements) provided that the maximum We will pay for:

- a** Buildings shall not exceed £2,000,000 or 20% of the total Sum Insured for Buildings (whichever is the lower)
- b** Rent shall not exceed £250,000 or 20% of the total Sum Insured for Buildings (whichever is the lower).

If You do not make a claim under this insurance We will waive any premium due for this cover.

No payment will be made by Us in respect of this cover with regard to any contribution towards a more particular insurance and/or to meet any excess or shortfall due to the application of under insurance and in no circumstances will indemnity be provided by Us to the vendor.

# Important Information

## Your right to cancel

If this cover does not meet your requirements, please return all your documents and any certificate to the broker, intermediary or agent who arranged the Policy within 14 days of receipt. We will return any premium paid unless a claim has been made.

## Termination

If you wish to terminate the contract at any other time, please contact the broker, intermediary or agent who arranged the Policy. Any return of premium will be made based on the number of days remaining in the Policy period, unless a claim has been made when no refund is due.

## Your Fixed Sum Credit Agreement

### Your right to withdraw from your credit agreement

If you have chosen to pay by instalments, you may withdraw from your credit agreement within 15 days of receiving it. If you would like to withdraw from your credit agreement, please call us on 0345 303 1760 or write to us at the address shown on your documents. If you withdraw from your Agreement you will need to arrange for payment of any outstanding policy premium.

You have the right to withdraw from the credit agreement at any time. If you wish to do so you should let us know. If you do this any outstanding balance of the policy premium must be settled in order for your insurance cover to continue under the policy.

### Other important information about your credit agreement

If you decide to cancel your policy, your credit agreement will automatically be withdrawn; any refunds will be paid pro rata unless there is a claim, when the full premium will be due. We may withdraw from your credit agreement if you fail to pay any instalment by the due date. For full details please see the terms of your Fixed Sum Credit Agreement.

It is possible that other taxes or costs not imposed by us may apply to this Agreement.

If you have a complaint about your credit agreement, read the 'How to complain' section.

English law applies to your Agreement and courts in England or Wales may deal with disputes in connection with this Agreement unless you live in Scotland where Scottish law will apply and Scottish courts may deal with disputes in connection with this Agreement.

We have supplied this agreement and other information to you in English and we will continue to communicate with you in English.

## How to make a claim

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

### **How to complain**

If you have an enquiry or complaint arising from your Policy, please contact the broker, intermediary or agent who arranged the Policy for you. If the broker is unable to resolve your complaint or it is regarding the terms and conditions of the policy they will refer it to NIG.

If your complaint is still outstanding you can write to NIG direct at the following address, quoting your policy number.

The Chief Executive,  
NIG  
Churchill Court,  
Westmoreland Road,  
Bromley BR1 1DP.

Once you receive a written response and if you remain dissatisfied, you may refer your complaint to the Financial Ombudsman Service (FOS). Their address is:

The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR  
Telephone: 0800 023 4567 or 0300 123 9123.

### **Details about our Regulator**

NIG policies are underwritten by U K Insurance Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, registration number 202810. The Financial Conduct Authority website, which includes a register of all regulated firms can be visited at [www.fca.org.uk](http://www.fca.org.uk), or the Financial Conduct Authority can be contacted on 0800 111 6768. The Prudential Regulation Authority website can be visited at [www.bankofengland.co.uk/pr](http://www.bankofengland.co.uk/pr), or the Prudential Regulation Authority can be contacted on 020 7601 4878.

### **Financial Services Compensation Scheme**

Under the Financial Services and Markets Act 2000, should we be unable to meet our liabilities to policyholders, compensation may be available. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Information can be obtained on request, or by visiting the Financial Services Compensation Scheme website at [www.fscs.org.uk](http://www.fscs.org.uk)

**Whoever you are contacting, please always quote your Policy Number as it will help your enquiry or complaint to be dealt with promptly.**

